

Federal Ministry of Education and Research

Announcement

Regulations governing the German-African Innovation Incentive Award within the framework of the Federal Government's Strategy for the Internationalization of Education, Science and Research

of 22 August 2023

Courtesy translation - The legally binding version is the funding announcement in German published in the Bundesanzeiger (Federal Gazette).

1 Funding aim, purpose and legal basis

1.1 Aim of funding

The interest of German institutions in collaborating with African partners in research and innovation is steadily growing, especially as awareness increases that technological and social innovations are crucial drivers for the development of modern knowledge societies in African countries. The improved commercialization of research results and a better framework for entrepreneurial initiative provide the basis for employment and participatory economic development in Africa.

This BMBF funding measure is part of the Federal Government's Strategy for the Internationalization of Education, Science and Research (2017) and of the Africa Strategy of the BMBF (2018). It contributes substantially to achieving the objectives of the Federal Government's Future Research and Innovation Strategy (2023). In addition, it contributes to the United Nations' Sustainable Development Goals (particularly SDG 17: Partnerships for the Goals).

In its 2021 coalition agreement, the Federal Government expressed its intention to establish a close partnership with Africa and to increase science cooperation. The German-African Innovation Incentive Award aims to strengthen innovative research in Africa and to enable African researchers to translate their research results into innovative solutions so that they will benefit the population in Africa. The underlying concept of innovation includes not only technological but also social innovation and involves society as a central player. The Award enables researchers at German institutions to collaborate with African partners. New areas for application in Africa and an enhanced knowledge base provide added value for cooperating institutions.

Furthermore, the Award gives special visibility to the researchers receiving it and to the funded German-African cooperation projects. Up to six award winners will be honoured, provided a relevant number of eligible applications are submitted.

1.2 Funding purpose

The incentive award honours African researchers and their German partners for outstanding achievements in research with great potential for application, promotes the implementation of a German-African cooperation project and offers accompanying transfer qualification measures.

It is intended that the funded cooperation project will use the available research results to develop application-based solutions, enhance product-oriented utilization and promote structure-building initiatives. If possible, it is to create the basis for establishing a lasting innovation structure (e.g. a start-up, an incubator, a small enterprise oriented towards research) or provide a clear perspective for planning and establishing such a structure. The intention is to help the project results create socioeconomic value at regional level and strengthen local or regional innovation capacities.

Furthermore, activities for science communication are to be implemented.

The Award will take the form of a grant paid for implementing a German-African cooperation project and is thus to be used for this specific purpose (see section 5 Type, scope and rates of funding). Supplementary to this, African award winners will be provided with individual qualification opportunities that support the transfer of their research results. These will be adapted to their individual needs and take the form of advice, training and networking measures during the project period and beyond. German cooperation partners will be involved in the measures and learn about new applications for (part of) their research results in Africa.

Accompanying measures will include, for example:

- Individual advice and coaching to acquire methodical and transfer skills
- Supporting analyses regarding relevant potential for value creation and, where applicable, tapping into new markets
- Support in region- and target group-specific communication of the results to potential users and/or partners in the African target regions
- If applicable, support in business plan development, for example to prepare the establishment of a spin-off company or start-up
- Identification of opportunities for follow-up funding, for example from European initiatives.

The results from the funded project may only be used in the Federal Republic of Germany or the European Economic Area (EEA) and in Switzerland as well as in the countries of the African Union (AU).

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 BMBF's regulations governing applications for expenditure-based grants (AZA/AZAP/AZV) and/or applications by commercial companies for cost-based grants (AZK). 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 (2) (b) and (c) of the General Block Exemption Regulation (GBER) of the European Commission.¹ Funding

¹ 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 June 2017 (OJ L 156 of 20 June 2017, p. 1), Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments (OJ L 215 of

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 GBER (cf. Annex with regard to the requirements of state aid legislation applying to these funding regulations).

2 Object of funding

The Innovation Incentive Award will be awarded to researchers in African countries and their partners in Germany for proven outstanding research with the potential for application in combination with a utilization or commercialization plan. The plan should already provide perspectives for the lasting consolidation of cooperation between the partners and, if possible, for medium and long-term development of structures at the location in Africa.

The Award will take the form of project funding combined with opportunities for transfer qualification as well as sector-specific regional counselling and networking with industry and commercialization partners in the African target regions. The aim is to support the transfer of convincing research results already available into utilization-oriented solutions, product-oriented commercialization and structure-building initiatives. Funding can be provided for joint research and development projects in combination with commercialization activities. Projects dealing exclusively with commercialization activities will not be funded.

The Award is oriented towards the strategic cooperation priorities of the Federal Government's Future Strategy and the Africa Strategy of the BMBF. Funding will be provided for collaborative projects which involve international cooperation and preferably deal with one or more of the following priority areas in line with the funding purpose described above:

- Environmental sciences
- Health research
- Bioeconomy
- Societal development and social sciences (in particular socially responsible business practices, social innovations, sustainability strategies)
- Resource management (in particular valorization of locally available resources, resource efficiency and sustainability)
- Information and communication technologies.

The project plan is expected to include joint work phases in the African and German partner countries.

The success of the individual funded activities will be measured by looking, for example, at their contribution to

- Increasing African and German project partners' know-how about the respective thematic areas and/or their further development

7 July 2020, p. 3) and 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 July 2021, p. 39) and Regulation (EU) 2023/1315 of 23 June 2023 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 167 of 30 June 2023, p. 1).

- International networking with stakeholders in politics, business or society
- Support for early-career researchers in both countries.

3 Funding recipients

Applications may be submitted by universities, non-university research institutions and other institutions contributing to research as well as commercial companies.

Applicants are required to have a plant or branch (company) or another entity in Germany serving the non-commercial activity of the funding recipient (universities, non-university research institutions and other institutions contributing to research) at the time of payment of the grant.

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 conditions.

Concerning the conditions for when state aid is or is not deemed to be involved and the extent to which funding can be provided without constituting aid, please consult the Community Framework for State Aid for R&D&I.²

Small and medium-sized enterprises (SMEs) within the meaning of these funding regulations are companies that meet the requirements of the EU definition of SMEs.³

The funding recipient will declare its classification according to Annex I of the GBER to the granting authority in its written application for funding.

Under these funding regulations, the recipient of funding will be allowed to transfer part of the grant to another recipient (secondary recipient) in accordance with No. 12 of the administrative regulations pertaining to Section 44 of the Federal Budget Code (BHO). In accordance with No. 13a.2 of the administrative regulations pertaining to Section 44 of the Federal Budget Code (BHO), funding recipients are not permitted to transfer a grant that is calculated on the basis of eligible project-related costs.

4 Special prerequisites for funding

The formal prerequisite for an award is evidence of the research undertaken (see 7.2.1, in particular the research report) and submission of a plan for its further development including a project outline and a financial plan for using the award money. Candidates can participate in the selection procedure either by way of application or by way of nomination (see 7.2.1).

The project outline must be submitted by the German applicant institution in cooperation with at least one research institution based in a country of the African Union (AU).

Further partners may participate in the research project if this benefits the project and if these partners contribute their own funds.

The German partners in a collaborative project will set out the terms of cooperation in a written agreement. The German and African partners will conclude a contract for the transfer of a grant. All the collaboration partners, including those which are research institutions within the meaning of Article 2 (83) GBER, must ensure that companies do not receive any form of indirect aid as part of the collaboration. The provisions of No. 2.2 of the R&D&I Community Framework must be observed. Before a funding decision on a collaborative project is taken, the cooperation partners

² Commission Communication (2022/C 414/01) of 28 October 2022 (OJ C 414 of 28 October 2022, p. 1 ff.).

³ cf. Annex I of the GBER or the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (notified under document number C (2003) 1422 (2003/361/EC)) (OJ L 124 of 20 May 2003, p. 36): [<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32003H0361&from=EN>].

must prove that they have reached a basic consensus on further criteria stipulated by the BMBF (cf. BMBF form No. 0110).⁴

All funding recipients, including research institutions within the meaning of Article 2 (83) GBER, must ensure that companies do not receive any form of indirect aid. The provisions of No. 2.2 of the R&D&I Community Framework must be observed.

5 Type, scope and rates of funding

Funding will be awarded in the form of non-repayable project grants usually amounting to up to EUR 150,000 and for a period of up to 24 months. The measures for transfer qualification as well as sector-specific regional counselling and networking mentioned in addition to project funding in section 2 above are not part of project funding and will be offered as an extra.

The basis for calculating the grants for universities, research and science institutions and similar establishments which do not fall into the category of economic activities is the eligible project-related expenditure (in the case of the Helmholtz centres – HZ – and Fraunhofer – FhG – eligible project-related costs), which can be covered up to 100% in individual cases, taking into account state aid legislation.

Grants for commercial companies and for projects of research institutions which fall into the category of economic activities will be calculated on the basis of the eligible project-related costs. Part of these costs can be covered, taking legislation on state aid into account (see Annex). The BMBF's policy requires an appropriate own contribution towards the eligible costs incurred.

In the case of non-commercial research projects at universities and teaching hospitals, a flat-rate grant amounting to 20% of total expenditure will be awarded in addition to the BMBF-funded eligible expenditure of usually up to EUR 150,000 (which means that the maximum funding amount may be higher than the usual EUR 150,000 depending on the project flat rate).

The award money will be paid to the German partner institution in the form of a grant. As participant in the project, the German institution declares its willingness to administer the money awarded and forward the envisaged funds to the African recipients. The foreign partners will conclude a contract with the German project coordinator concerning the transfer of their grants in accordance with No. 12 of the administrative regulations pertaining to Section 44 of the Federal Budget Code (BHO). At least 50% of the grant – excluding the flat rate per project – will be for use by the African partners. The use of funds by the German partners must verifiably support the utilization plan (problem solving, commercial and/or societal use or development of structures at the location in Africa).

Eligible expenditure/costs are governed by the BMBF's regulations governing applications for expenditure-based grants (AZA/AZAP/AZV) and/or cost-based grants (AZK) of commercial companies.

The following terms and conditions apply for

a) Travel expenses

Funding can cover project-related expenditure/costs of travel and stays by German and foreign researchers and experts (air tickets: economy class). Visits to third countries for the purpose of establishing and expanding bilateral and multilateral networks (in particular in South-South cooperation) to transfer the innovative solutions to further locations are also eligible for funding in well-founded individual cases. Conference fees (in Germany or in Africa) can be funded in

⁴ https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare, BMBF Allgemeine Vordrucke und Vorlagen für Berichte.

duly substantiated cases. Stays of the African project partners in Germany will be funded at a fixed rate of EUR 104 per day or EUR 2,300 per month and EUR 77 for individual days in the subsequent month. The day of arrival and day of departure are counted together as one day. This fixed rate is understood to include health insurance and, if applicable, other types of insurance, which must be paid by the African partners themselves.

The GBER must be taken into account when determining the respective eligible costs (see Annex).

No funding will be provided to cover any costs of the participating institutions' normal basic equipment.

Expenditure/costs which serve to provide the general public with access to the planned research process and/or its results during the funding period and to enter into a dialogue with society are eligible for funding. Science communication is the dialogue-oriented transmission of generally understandable information about scientific research to target groups outside the scientific community.

Carbon compensation payments for official travel can be recognized as eligible expenses or costs in accordance with the regulations governing applications for expenditure-based grants (AZA/AZAP/AZAV) and/or cost-based grants (AZK) of commercial companies.

6 Other terms and conditions

The *Nebenbestimmungen für Zuwendungen auf Kostenbasis des Bundesministeriums für Bildung und Forschung an gewerbliche Unternehmen für Forschungs- und Entwicklungsvorhaben* (NKBF 2017) (Auxiliary Terms and Conditions for Funds Provided by the Federal Ministry of Education and Research to Commercial Companies for Research and Development Projects on a Cost Basis) will form part of the notification of award for grants on a cost basis.

Notification of award for grants on an expenditure basis will include the *Nebenbestimmungen für Zuwendungen auf Ausgabenbasis des Bundesministeriums für Bildung und Forschung zur Projektförderung* (NABF) (Auxiliary Terms and Conditions for Funds Provided by the Federal Ministry of Education and Research for the Promotion of Projects on an Expenditure Basis).

The *Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung an Gebietskörperschaften und Zusammenschlüssen von Gebietskörperschaften* (ANBest-Gk) (General Auxiliary Conditions for Project Grants Awarded to Territorial Authorities and Associations of Territorial Authorities) and the *Besondere Nebenbestimmungen für Zuwendungen des BMBF zur Projektförderung auf Ausgabenbasis* (BNBest-BMBF 98) (Special Auxiliary Terms and Conditions for Funds Provided by the Federal Ministry of Education and Research for the Promotion of Projects on Expenditure Basis) will form part of the notification of award for grants on an expenditure basis.

For the purpose of conducting progress reviews within the meaning of administrative regulation 11a pertaining to Section 44 of the Federal Budget Code (BHO), funding recipients are required to provide the BMBF or reviewing institutions with the data necessary for the progress review without delay. The information will be used exclusively for the purposes of accompanying research and, if applicable, subsequent evaluation; it will be treated confidentially and published in anonymized form, making it impossible to trace it back to individual persons or organizations.

Funding recipients are expected to ensure open electronic access if they publish the results of the research project in a scientific journal. This can be done through publication in an electronic journal which is accessible to the public free of charge. If the results are not initially published in a journal which is electronically accessible to the public free of charge, they must be made publicly available free of charge by electronic means, following a suitable embargo period where appropriate (secondary publication). Embargo periods for secondary publication must not

exceed 12 months. The BMBF expressly welcomes secondary open access publication of scientific monographs resulting from the project.

Funding recipients are required to design and describe suitable measures for science communication in the context of their research process and research results.

The partners in a collaborative project are expected to develop a joint strategy for science communication.

7 Procedure

7.1 Involvement of a project management organization, application documents, other documents and use of the electronic application system

The BMBF has currently entrusted the following project management organization with implementing the funding measure:

DLR Projektträger
European and International Cooperation
Heinrich-Konen-Straße 1
53227 Bonn
Internet: <http://www.internationales-buero.de/>

Contacts:

Research issues

Juliane Kутtenkeuler
Phone: +49 228 3821-1335
Fax: +49 228 3821-1411
Email: juliane.kuttenkeuler@dlr.de

Tiemo Pokraka
Phone: +49 228 3821-2097
Fax: +49 228 3821-1411
Email: tiemo.pokraka@dlr.de

Administrative issues

Sylvia Keller
Phone: +49 228 3821-1924
Fax: +49 228 3821-1411
Email: Sylvia.Keller@dlr.de

Any changes will be announced in the *Bundesanzeiger* (Federal Gazette) or in another suitable form.

Applicants are recommended to contact the project management organization for advice on applications. The organization will provide further information and details.

Any changes will be announced in the *Bundesanzeiger* (Federal Gazette) or in another suitable form.

Application forms, guidelines, leaflets, information and auxiliary terms and conditions are available online at

https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare&formularschrank=bmbf

or can be obtained directly from the above-mentioned project management organization.

The "easy-Online" electronic application system must be used for drafting project outlines and formal proposals (<https://foerderportal.bund.de/easyonline>). This portal enables the electronic submission of the application, which must be submitted in writing. An electronic document that bears a qualified electronic signature is sufficient for electronic submission.

7.2 Two-phase application procedure

The application procedure consists of two phases.

7.2.1 Submission and selection of project outlines

There are two ways for candidates to participate in the selection procedure:

1. Nomination

A representative of a German university/research institution or a company proposes a researcher at an African institution for the Award. In making the nomination, the German institution declares its readiness to collaborate with the African partners in a joint project. A project plan is submitted which has been developed and signed by both sides.

2. Application

African candidates submit their own applications for the Award and include a German cooperation partner eligible for funding under section 3 above in the joint project which is to follow. A project plan is submitted by the German applicant institution which has been developed and signed by both sides.

The BMBF expressly targets nominations and applications of female candidates in accordance with its Africa Strategy.

African candidate's centre of life and work must be in a country of the African Union (AU).

In the first phase of the procedure, documentation must be submitted to the project management organization by 7 November 2023 which includes the following elements:

- An informal cover letter with the nomination or application for the Award
- A short research report on previous research with which candidates wish to qualify for the Award
- CV and list of publications of the German applicant and the African candidate
- A project outline for the planned follow-up project.

The cover letter, research report, CVs, publication lists and project outline must be submitted in English in electronic form using the "easy-Online" outline tool (https://foerderportal.bund.de/easyonline/reflink.jsf?m=IB-AFRIKA&b=IB_GAIIA_2023&t=SKI).

The deadline for submission is not a cut-off deadline. However, it may not be possible to consider project outlines received after the above date.

The research report should not exceed four pages. It must provide information about the

1. Content of the completed project and the research delivered,
2. Role of the proposed person in the research activities,
3. Team and environment of the delivered work, including institutional links, partnerships achieved or sought, budget framework,
4. Project duration and time frame of the research undertaken,
5. Potential for utilization of the research results, any hurdles to and desiderata for further utilization-oriented research.

The project outline should not exceed ten pages. The outline must describe the following aspects of the project:

1. Information about the African award winner and the German partner who is to receive the grant as well as about further German and foreign project partners as appropriate,
2. A meaningful summary (aims, research priorities, connection to previous research including reference to the research report),
3. Scientific framework of the project:
 1. Planned activities for implementing the goals of the funding measure mentioned in section 1 above,
 2. Description of the scientific objective of the project,
 3. Information about the current state of science and technology,
4. International cooperation within the project:
 1. Added value of the international cooperation,
 2. Contributions of the international partners including information about work-sharing and planned work periods in the respective partner countries,
 3. Experience of the participating partners in international cooperation, previous collaborations,
5. Sustainability of the measure/utilization plan:
 1. Expected scientific results,
 2. Possibilities for commercialization and/or societal use of the results, contributions to the potential development of structures,
 3. Consolidation of the cooperation with the partners beyond the project funding period, possible plans for cooperation in follow-up projects,
 4. Plans for expanding cooperation to other institutions and networks,
 5. Transfer of research results into teaching/ support for early-career researchers,
 6. Description of the planned steps of the cooperation project,
 7. Presentation of the planned measures for involving experts and the general public,
 8. Provisional estimate of expenditure/costs (in euros).

The project outlines received will be evaluated on the basis of the following criteria:

1. Fulfilment of the formal prerequisites for funding,
2. Compliance with the funding aims of the call (see section 1 above) and the object of funding stated in section 2,
3. Scientific criteria:
 1. Scientific quality and originality of the project,
 2. Relevance of the topic to BMBF programmes,
 3. Expertise of the applicant and the German and international partners involved,
 4. Plausibility of developing previous research further in the new, transfer-oriented project,
 5. Scientific benefits and prospects for utilization of the expected results (long-term innovation goals),
 6. Relevance of utilization to societal needs and contribution to local economic and social development,
 7. Sustainability of the impact, including the potential for innovation-oriented development of structures (e.g. prior to business start-ups),
4. Criteria concerning international cooperation:
 1. Intensification of existing German-African cooperative relations including prospective continuation beyond the funding period,
 2. Experience of the applicant with international cooperation,
 3. Consolidation of bilateral/international partnerships,
 4. Quality of the cooperation and added value for the partner institutions,
 5. Further development of scientific capacity,
 6. Support for early-career researchers,
 7. Description of the planned measures for involving experts and the general public,
5. Plausibility and feasibility of the project (financing; milestones; time frame).

Suitable project outlines will be selected for funding on the basis of the above criteria and evaluation. Applicants will be informed in writing of the result of the selection.

The project outline and any other documents submitted in this phase of the procedure will not be returned.

The BMBF reserves the right to seek advice from experts before making the final decision on funding.

7.2.2 Submission of formal proposals and decision-making procedure

In the second phase of the procedure, the applicants whose project outlines have been given a positive evaluation will be invited to submit complete formal proposals agreed with the African partners. When several German partners are involved (collaborative project), the formal proposals of the individual partners must be submitted in consultation with the envisaged coordinator. It is imperative that formal proposals include a (sub)project description and a utilization plan in German. Formal proposals must provide details about the content presented in the outline and must in addition include the following:

1. A detailed (sub)project description,
2. A detailed work plan and time schedule:
 1. Feasibility of the work plan,
 2. Plausibility of the time schedule,
3. Detailed information about the financing of the project:
 1. Appropriateness and necessity of the requested funding,
 2. Guarantee of overall financing during the entire project period.

The work and financing plans will be evaluated in accordance with the criteria listed under 7.3.2 (II and III).

The formal proposals must observe and fulfil any thematic or funding requirements and/or the evaluators' recommendations for the implementation of the project.

After final consideration of the application, a funding decision will be taken on the basis of the above criteria and evaluation.

The "easy-Online" electronic application system must be used for drafting formal proposals (taking into account the requirements set out in the Annex) (<https://foerderportal.bund.de/easyonline/>). This portal enables the electronic submission of the application, which must be submitted in writing. An electronic document that bears a qualified electronic signature is sufficient for electronic submission.

Guidelines, information for applicants and the auxiliary terms and conditions for the award of grants are available at https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare&formularschrank=bmbf.

A claim to funding cannot be derived from the submission of a formal proposal.

A formal proposal is only considered complete if at least the requirements of Article 6 (2) GBER (cf. Annex) are fulfilled.

7.3 Relevant regulations

The approval and payment of and accounting for the funds as well as the proof and examination of the proper use and, if necessary, the revocation of the award and the reclaiming of the funds awarded are governed by Sections 48 to 49a of the Administrative Procedure Act (VwVfG),

Sections 23 and 44 of the Federal Budget Code (BHO) and the related general administrative regulations, unless the present funding regulations allow deviation from the general administrative regulations. The *Bundesrechnungshof* (Germany's Supreme Audit Institution) is entitled to carry out audits in accordance with Section 91 of the 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 their legal basis for state aid, the GBER, to which a six-month adaptation period is added, that is, until 30 June 2027. If the period of the GBER is extended without relevant amendments concerning state aid rules, the duration of these funding regulations will be extended accordingly, though not beyond 31 December 2028. If the GBER is not extended but replaced by a new GBER or if relevant amendments are made to the content of the currently applicable GBER, follow-up funding regulations will be adopted which will comply with the exemption provisions applicable in that case and remain effective at least until 31 December 2028.

Bonn, 22 August 2023

Federal Ministry of Education and Research

Dr. Erik Hansalek

ANNEX

The following requirements of state aid legislation apply to these funding regulations:

1 General prerequisites for funding

The aid is only lawful if all the prerequisites of Chapter I GBER and the prerequisites in Chapter III applicable to the designated category of state aid are fulfilled in line with Article 3 GBER. Applicants are hereby informed that the national courts are obliged to order the repayment of unlawful state aid in accordance with the rulings of the European courts.

State aid on the basis of the GBER will not be granted if there are grounds for exclusion under Article 1 (2-6) GBER. This applies in particular if the undertaking is subject to an outstanding recovery order following a previous Commission decision declaring an aid illegal and incompatible with the internal market.

The same applies to aid to a company which is an “undertaking in difficulty” as defined in Article 2 (18) GBER. Only companies that were not already in difficulty on 31 December 2019, but which became undertakings in difficulty during the period 1 January 2020 to 31 December 2021, are exempted from this restriction in accordance with Article 1 (4) (c) GBER.

This announcement is only applicable for state aid that has an incentive effect within the meaning of Article 6 GBER. The required application for state aid in this context must contain at least the following information:

- a. name and size of the company,
- b. description of the project including its start and end dates,
- c. location of the project
- d. project costs and
- e. type of aid (e.g. grant, loan, guarantee, repayable advance or capital injection) and the amount of public funding needed for the project.

In applying for funding under these funding regulations, applicants declare their cooperation:

- to comply with the requirements of state aid legislation;
- to provide the requested information and/or documentation as evidence of credit worthiness and conformity with state aid requirements;
- to cooperate in the event of procedures initiated at/by the European Commission.⁵

Furthermore, funding recipients consent to:

- the BMBF storing all records of granted aid documenting compliance with the above requirements, for a period of ten years after aid is granted and delivering them to the European Commission upon request;
- the BMBF disclosing aid amounts in excess of 100,000 euros on the EU Commission's state aid Transparency public search page.⁶

⁵ For example, the monitoring of individual cases by the European Commission in accordance with Article 12 GBER.

⁶ (The EU Commission's state aid Transparency public search page is available at <https://webgate.ec.europa.eu/competition/transparency/public>.) This disclosure is governed by the provisions for the publication of information required in Annex III of Commission Regulation (EU) No. 651/2014 of 17 June 2014. This information includes the name of the beneficiary and the amount of aid received.

Under these funding regulations, state aid is awarded in the form of grants in accordance with Article 5 (1 and 2) GBER.

The GBER restricts the granting of state aid for economic activities in the following areas to the corresponding maximum amounts stated below:

- 35 million euro per company and per project for industrial research (Article 4 (1) (i) (ii) of the GBER)
- 25 million euro per company and project for experimental development (Article 4(1) (i) (iii) GBER)

The rules concerning cumulation set out in Article 8 GBER must be observed when determining whether these maximum amounts (notification thresholds) are respected. The maximum amounts may not be circumvented by artificially splitting up projects with related content. Partial approval up to the maximum amount of aid subject to notification is not permitted.

2 Scope/rates of funding

The following provisions of the GBER apply to these funding regulations, in particular concerning eligible costs and state aid intensities. The following eligible costs and intensities set out the overall thresholds within which eligible costs and rates of funding for projects involving economic activity can be granted.

Article 25 GBER – Aid for research and development projects

The aided part of the research project must fall completely within one or more of the following categories:

- Industrial research
- Experimental development

(cf. Article 25 (2) GBER; definitions according to Article 2 (84 ff.) GBER).

For the purpose of classifying research work as industrial research and experimental development, please refer to the relevant information in no. 79 and footnotes 59, 60 and 61 of the R&D&I Community Framework.

The aid intensities for industrial research and experimental development may be increased up to a maximum 80% of the eligible costs in accordance with Article 25 (6) (a) to (d), but points (b), (c) and (d) must not be combined with each other:

- a) by 10 percentage points for medium-sized enterprises; and
by 20 percentage points for small enterprises
- b) by 15 percentage points if one of the following conditions is fulfilled:
 - i) the project involves effective cooperation
 - between undertakings among which at least one is an SME, or is carried out in at least two EU Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70% of the eligible costs; or

- between an undertaking and one or more research and knowledge-dissemination organizations, where the latter bear at least 10% of the eligible costs and have the right to publish their own research results;
- ii) the results of the project are widely disseminated through conferences, publication, open access repositories, or free or open source software.
- iii) the beneficiary undertakes to grant non-exclusive licences for research results of aided research and development projects that are protected by intellectual property rights at market prices and on a timely and non-discriminatory basis for use by third parties in the EEA;
- iv) the research and development project is carried out in an assisted region fulfilling the conditions of Article 107 (3) (a) TFEU;
- c) by 5 percentage points if the research and development project is carried out in an assisted region that fulfils the conditions of Article 107 (3) (c) TFEU;
- d) by 25 percentage points if the research and development project
 - i) has been selected by a Member State, following an open procedure, to form part of a project jointly designed by at least three Member States or Contracting Parties to the EEA Agreement; and
 - ii) involves effective cooperation between undertakings in at least two Member States or Contracting Parties to the EEA Agreement when the beneficiary is an SME, or in at least three Member States or Contracting Parties to the EEA Agreement when the beneficiary is a large undertaking; and
 - iii) fulfils at least one of the following two conditions:
 - the results of the research and development project are widely disseminated in at least three Member States or Contracting Parties to the EEA Agreement through conferences, publication, open access repositories or free or open source software; or
 - the beneficiary undertakes to grant non-exclusive licences for research results of aided research and development projects that are protected by intellectual property rights at market prices and on a timely and non-discriminatory basis for use by third parties in the EEA.

Article 7 (1) GBER requires that the eligible costs be supported by documentary evidence which must be clear, specific and contemporary.

For the purposes of calculating aid intensity and eligible costs, all figures used must be taken before any deduction of tax or other charge.

3 Cumulation

For the purpose of complying with the maximum permissible aid intensity, the rules concerning cumulation set out in Article 8 GBER must be observed. The cumulation of several aid measures for the same eligible costs/expenditure is only allowed in exceptional cases as specified below:

Where European Union funding that is centrally managed by the institutions, agencies, joint undertakings or other bodies of the Union and is not directly or indirectly under the control of the Member States is combined with State aid, only State aid will be considered for determining whether the notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted for the same eligible costs does not exceed the most favourable funding rate laid down in the applicable rules of European Union law.

Aid with identifiable eligible costs exempted by the GBER may be cumulated with:

- a. any other state aid, as long as those measures concern different identifiable eligible costs,
- b. any other state aid, in relation to the same eligible costs, partly or fully overlapping, only if such cumulation does not result in exceeding the highest aid intensity or aid amount applicable to this aid under the GBER.

Aid without identifiable eligible costs may be cumulated with any other state aid without identifiable eligible costs, up to the highest relevant total financing threshold fixed in the specific circumstances of each case by the GBER or a decision adopted by the Commission.

State aid exempted under the GBER may not be cumulated with any de minimis aid in respect of the same eligible costs if such cumulation would result in an aid intensity or aid amount exceeding those laid down in Chapter III of the GBER.