

**Federal Ministry
of Education and Research**

**Announcement within the framework of the Federal Government's Strategy for the
Internationalization of Science and Research**

Regulations Governing the Granting of a German-African Innovation Incentive Award

19 september 2016

1 Funding purpose and legal basis

1.1 Funding purpose

There has been a marked growth in interest among German institutions in collaborating with African partners in research and innovation in recent years. Several African countries are experiencing comparatively high and steady economic growth. There is increasing awareness in African countries that technological and social innovation are essential drivers for the development of modern knowledge societies. Greater exploitation of research results and a better framework for entrepreneurial initiative provide the basis for employment and participation in economic development. This helps to create more self-supporting incomes in African countries themselves and to counteract the permanent emigration of the highly qualified.

The Federal Ministry of Education and Research (BMBF) has defined cooperation with developing and emerging countries as a strategic area of action in its "International Cooperation Action Plan". The BMBF's Africa Strategy provides a coherent framework for cooperation with partner countries in Africa. Within this framework a large number of initiatives are implemented to strengthen science and innovation systems in African partner countries. The annual German-African Innovation Prize is one of these activities.

The Prize is intended to encourage personal initiative related to innovation in African countries. It is aimed at supporting the exploitation of research findings by promoting research approaches that are application-oriented, sustainable and address the needs of society. It enables German researchers to collaborate with African partners. It also raises the profile of the BMBF's extensive range of cooperation initiatives with African partners.

The Prize adds a structural element to funding for individuals: As well as honouring previous research achievements it supports the implementation of a follow-up project which has an explicit orientation to applications and is intended to strengthen local or regional innovative capacity in an African partner country. Where possible, a funded project should not only deliver research results but also create the basis for establishing a lasting innovation structure (e.g. a start-up, an innovation incubator, a small enterprise oriented to research) or provide a realistic perspective for planning and establishing such a structure.

The Prize reflects the principles of cooperation of the BMBF Africa Strategy: the promotion of African initiatives, cooperation on the basis of partnership, and the creation of added value on both sides.

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 after due assessment of the circumstances and within the framework of the budget funds available.

Where such grants represent aid within the meaning of Article 107 (1) of the Treaty on the Functioning of the European Union, these constitute "de minimis" aid. The awarding of such grants is governed by the provisions of Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (Official Journal of the EU (OJ) L 352 p.1 et seqq of 24 December 2013) as amended.

De minimis aid must not exceed 200,000 euros (or 100,000 euros in road freight transport) over any period of three fiscal years. Cumulation of aid with other state aid to cover the same costs eligible for aid is only permissible to an amount which does not exceed the relevant ceilings for aid intensity or the aid amount that have been set for individual cases in a block exemption regulation or decision of the Commission.

The de minimis statement included with the grant award notification document must be

- kept for ten years,
- produced at the request of the European Commission, a federal or *Land* authority or the funding authority within one week or a longer period specified in the request. Should the statement not be produced within this period, the award can be revoked and the funds reclaimed,
- submitted with a future application for de minimis aid as evidence of de minimis aid already granted.

If an award cannot be made in accordance with the rules for de minimis aid, the award is made in accordance with the General Block Exemption Regulation – GBER) (OJ L 187 of 26 June 2014, 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 internal market are ineligible for funding.

2 Object of funding

The Innovation Prize will be awarded to researchers in African countries and their German partners for proven outstanding research with the potential for application, in combination with a utilization or valorization 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 Prize will be awarded in the form of project funding to support the transfer of convincing research results, which have already been produced, into utilization-oriented solutions, product-oriented valorization and the development of structures.

The award is oriented to the strategic cooperation priorities of the BMBF Africa Strategy. 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 (in particular socially responsible business practices, social innovations, sustainability concepts)
- Resource management (in particular exploitation 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 partner country. It should, as a rule, also include at least one joint work phase by the partners in Germany.

3 Funding recipients

German universities, non-university research institutions and other institutions contributing to research as well as commercial companies headquartered in Germany – particularly small and medium-sized enterprises (SMEs)* – which fulfil the funding purpose and requirements are eligible for funding. Research institutions which receive joint basic funding from the Federal Government and/or the *Länder* can only be granted project funding supplementary to their basic funding to cover additional project-related expenditure or costs under certain preconditions.

4 Prerequisites for funding

The Prize will be awarded to a researcher or authorized representative of a research unit at an African institution. The funds go initially to their German partner at an institution which is eligible for funding as set out in 3 above, and must be used in accordance with 4.2 below.

4.1 Nomination and application procedure for the Prize

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

a) Nomination

A representative of a German university/research institution or a company proposes a researcher at an African institution for the Prize. In making the nomination, the German institution must declare 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.

b) Application

African candidates submit their own applications for the Prize with the inclusion of a German cooperation partner which is eligible for funding, as set out in 3 above, in the subsequent joint project. A project plan is submitted which has been developed and signed by both sides.

4.2 Grant and use of funds

* In accordance with the EU's definition of SMEs: The category of micro, small and medium-sized enterprises consists of enterprises which employ fewer than 250 people and which have either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million. Within this category, the following definitions apply: Small enterprises are defined as enterprises which employ fewer than 50 persons and whose annual turnover or annual balance sheet total does not exceed €10 million. Micro enterprises are defined as enterprises which employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed €2 million. In general, most SMEs are autonomous since they are either completely independent or have one or more minority partnerships (each less than 25%) with other enterprises. If that holding rises to no more than 50%, the relationship is deemed to be between partner enterprises. Above that ceiling, the enterprises are linked. This definition of SMEs is based on Annex I of Commission Regulation (EU) No. 65/2014.

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 and financial plan for using the prize money.

The project outline must be submitted by the German applicant in cooperation with at least one partner based in an African country. Further partners may participate in the research project if this benefits the project and these partners contribute their own funds. The prize money will be paid to the German partner institution in the form of a grant. In declaring that it will participate in the project, the German institution must also declare its willingness to administer the prize money and forward the envisaged funds to the African recipients. At least 50% of the prize money is to be for the use of the African partners. The funds used by the German partners must be used in a verifiable way to support the utilization plan (problem solving, product orientation or development of structures at the location in Africa).

The project partners must establish the terms of their cooperation in a written cooperation agreement in accordance with BMBF form 0375 (General Conditions for Agreements on the Provision of Funds for Projects in Foreign Institutions).

Funding recipients are obliged to participate in possible evaluation measures and to provide any information needed to assess the success of the funding measure.

5 Type, scope and rates of funding

Funding will be awarded as non-repayable project grants usually amounting to a maximum 150,000 euros for a maximum period of 24 months.

Grants for universities, research and science institutions and similar institutions are calculated on the basis of the eligible project-related expenditure (in the case of Helmholtz centres and the Fraunhofer Gesellschaft (FhG) on the basis of the eligible project-related costs), which can be funded individually up to a maximum of 100%.

The calculation of the respective rate of funding must take account of the provisions governing de minimis aid and the General Block Exemption Regulation (GBER). The GBER allows various additional payments for small and medium-sized enterprises (SMEs) which could in some circumstances lead to a higher rate of funding.

The following expenditures/costs will be eligible for funding:

a) Staff for conducting scientific activities or research

Project-related expenditure/costs incurred for student assistants and/or research staff can be funded to an appropriately justified extent.

b) Project-related resources and equipment

Project-related grants for non-cash resources (such as expendables, project-related phone and office supplies, appliances, literature, transport costs, orders) can be provided on a limited scale following submission of a detailed written statement justifying the requirements.

c) Travel and stays by German and foreign researchers and experts

The following applies to the funding of travel and stays by German researchers and experts:

The costs/expenditure for travel to and from the project partner's location including the necessary visa (if by air: economy class) and the per diem allowances for the specific country http://internationales-buero.de/media/content/Tagespauschalen_neu.xls will be covered. Contributions to

health insurance and, if applicable, other types of insurance are included in this allowance and must be paid by the funding recipients themselves.

The following applies to the funding of travel and stays by foreign project researchers and experts:

The costs/expenditure for travel to and from the project partner's location in Germany (if by air: economy class) will be covered. Stays in Germany will be funded at a fixed rate of 104 euros per day or 2300 euros per month. The day of arrival and day of departure are counted together as one day. Contributions to health insurance and, if applicable, other types of insurance are included in this allowance and must be paid by the foreign partner.

As a rule, no funding will be provided to cover any of the cost of the participating institutions' normal basic equipment.

6 Other terms and conditions

The General Auxiliary Conditions for Grants Provided for Projects on an Expenditure Basis (ANBest-P) or the General Auxiliary Conditions for Project Grants Awarded to Territorial Authorities and Associations of Territorial Authorities (ANBest-Gk) will form part of the notification of award of grants on an expenditure basis.

The Auxiliary Terms and Conditions for Funds Provided by the BMBF to Commercial Companies for Research and Development Projects on a Cost Basis (NKBF 98) will be part of the notification of award of grants to the Fraunhofer-Gesellschaft (FhG), the Helmholtz Association or a commercial company.

7 Procedure

7.1 Involvement of a project management agency, 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 Project Management Agency
European and International Cooperation
Heinrich-Konen-Strasse 1
53227 Bonn, Germany
Internet: <http://www.internationales-buero.de>

Contact persons:

Scientific:

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

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

7.2 Two-phase procedure

The application procedure takes place in two phases.

The 'PT-Outline' electronic tool must be used for making nominations or submitting applications and for drafting project outlines. The 'easy-online' electronic application system is used for drafting formal proposals.

7.2.1 Submission and selection of project outlines (including accompanying documents)

In the first phase, the following must be submitted to the project management agency

by 10th January 2017 at the latest:

- An informal cover letter with the nomination or application for the Prize
- A short research report on previous research with relevance to the Prize
- A project outline for the planned follow-up project.

The cover letter, research report and project outlines must be submitted in English in electronic and written form using the PT-Outline online tool (<https://secure.pt-dlr.de/ptoutline/gaiia>).

A cover letter/introductory page must be added which includes the names and legal signatures of all the project partners confirming their knowledge and the correctness of the information supplied in the rest of the documents.

It may not be possible to consider applications or nominations received after the above date.

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

- The content of the completed project and the research delivered
- The role of the nominated person in the research activities
- The team and the environment of the delivered work, including institutional framework, partnerships achieved or sought, the budget framework
- The project duration and the time frame of the research undertaken
- The potential to exploit the research, any hurdles to and desiderata for further exploitation-oriented research.

The project outline should not exceed seven pages. The project outline should include the following aspects:

- I. Information on the African award nominee, the German project partner receiving the funds, and, if applicable, on other German and foreign project partners
- II. A summary setting out the aims, research priorities, the connection to previously undertaken research incl. reference to the research report
- III. Scientific framework of the project
 - a. Planned measures to implement the objectives of the funding measure set out in 2 above
 - b. Description of the scientific objective of the project
 - c. Information on the state of scientific and technological development
- IV. International cooperation within the project
 - a. Added value of international cooperation
 - b. Contributions of the international partners
 - c. Experience of the participating partners in international cooperation; previous collaborations.
- V. Sustainability of the measure/exploitation plan
 - a. Expected scientific results
 - b. Lasting consolidation of the innovation potential enhanced by the project; possible development of structures
 - c. Lasting consolidation of the cooperation with the project partners beyond the funding period, possible plans for cooperation in follow-up projects
 - d. Plans for expansion of cooperation to other institutions and networks
 - e. Communication and dissemination plan of the cooperation partners to convey content and public results of the project.
- VI. Description of the proposed milestones of the cooperation project
- VII. Provisional estimate of costs and expenditure

The project outlines received will be evaluated in accordance with the following criteria:

- I. Fulfilment of the formal prerequisites for funding
- II. Compliance with the funding objectives of this announcement (see section 1 above as well as section 2 "Object of funding")
- III. Scientific criteria
 - a. Quality and originality of the project
 - b. Relevance of the topic to BMBF programmes
 - c. Expertise of the applicant and the German and international partners involved
 - d. Plausibility of developing previous research further in the new, transfer-oriented project

- e. Scientific benefits and prospects for the exploitation of the expected results (long-term innovation goals)
- f. Relevance of research exploitation to societal needs; contribution to local economic and social development
- g. Sustainability of the impact including the potential for innovation-oriented development of structures (e.g. prior to business start-ups)
- h. Convincing communications strategy that can strengthen public awareness of the Prize.

IV. Criteria concerning international cooperation

- a. Intensification of existing German-African cooperative relations including the prospects of intensification beyond the funding period
- b. Experience of the applicant in international cooperation
- c. Lasting consolidation of bilateral/international partnerships
- d. Quality of the cooperation and added value for partner institutions
- e. Further development of scientific capacity

V. 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 evaluation.

Applicants have no legal claim to the return of their project outlines and of any other documents which they may have submitted in this phase of the procedure.

7.2.2 Submission of formal applications for funding and decision-making procedure

In the second phase of the funding procedure, the applicants whose project outlines have been successful will be invited to submit full formal proposals.

Formal proposals must include:

- I. A detailed (sub)project description
- II. A detailed work plan and time schedule
 - a. Feasibility of the work plan
 - b. Plausibility of the time schedule
- III. Detailed information about the financing of the project
 - a. Appropriateness and need for the requested amount of funding
 - b. Guarantee of overall financing during the entire project period

The work and financing plans will be evaluated in accordance with the criteria listed under 7.2.2 (II and III).

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

When several German partners are involved (collaborative project), the formal proposals of the individual partners must be submitted in consultation with the envisaged coordinator.

Formal proposals must be drafted using the 'easy-online' electronic application system. It is absolutely imperative for applicants to include a project description in German in their formal proposals. The description should not exceed 12 pages.

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&formularschranke=bmbf.

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

A legal claim to funding cannot be derived from the submission of a formal proposal. Applicants have no legal claim to the return of their formal proposals. A funding decision will be taken after a final review based on the above criteria and evaluation procedure.

7.3 Provisions to be observed

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.

8. Entry into force

These funding regulations will enter into force on the day of their publication in the Federal Gazette (*Bundesanzeiger*).

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Federal Ministry of
Education and Research

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