

18 September 2014 - 31 January 2015

Announcement by the Federal Ministry of Education and Research

Regulations for Funding Centres for Innovation Competence (ZIKs) in the New *Länder* "Creating Excellence – Securing Talent"

Second phase of ZIK funding in the second round of funding

1. Funding purpose, legal basis

1.1. Funding purpose

The Federal Ministry of Education and Research (BMBF) launched the "Centres for Innovation Competence: Creating Excellence - Securing Talent" (ZIK) programme in 2002 under its "Entrepreneurial Regions" innovation initiative in order to establish centres for world-class research in the new *Länder*. These centres already provide tangible impetus for the development of Eastern Germany due to their appeal and focus, their sustainable approach to securing young research talent and their cross-cutting technology and process innovations.

Six centres were selected in the first round of funding in 2004 and eight in the second round in 2008 following a multi-step process. They have meanwhile been developed systematically into centres for innovation competence.

The development to date shows that the eight centres of the second round of funding (hereinafter: ZIKs II) have made equally important advances as the six centres evaluated in 2008 during the first round (ZIKs I) towards meeting the programme objectives in the first funding phase. Their junior research groups funded for five-year periods were able to catch up with international leaders in their specific fields and the implementation of the centres' strategic plans triggered long-term academic re-profiling of the institutions of higher education supporting them. Furthermore, the centres provide ideas and impetus for the economic development of their regions.

All the experts involved agree that despite the successes achieved during the first funding phase, a relatively short funding period of five years is not sufficient to ensure that the centres can establish themselves as international leaders in research. As a rule, it took other leading institutions at least ten years to generate the required international visibility and attractiveness through a continued, high-level scientific output. The same applies to the envisaged technology and process innovations for which basic research results are already available but which need to be developed and enhanced by relevant research activities of the centres before they can be commercialized by companies on a broader scale.

This approach is confirmed by the current development of the six ZIKs of the first round of funding whose continued support was recommended by a panel of experts in 2009. Updated

strategic plans and their funded implementation provided major impetus for establishing the centres on a long term basis.

In view of these aspects, the BMBF intends to provide continued support for the centres of the second round of funding whose first funding phase ends in 2014-16 by funding new junior research groups.

The objectives of the second funding phase are based on a target-performance analysis and focus on the following:

- Developing cutting edge-research in the centres' interdisciplinary fields of work, enabling them to become established at top international level
- Strengthening the centres' international dimension by ensuring any necessary adaptation of general conditions and staffing measures
- Providing additional stimulus for early career recruitment by increasing the centres' attractiveness for excellent junior researchers in Germany and abroad and by linking research and training programmes
- Developing and enhancing the research results achieved by the centres for use in technology and process innovations together with the companies in the region (cooperation with industry).

Other strategic investments and collaborative projects carried out by the centres in association with other R&D partners will also be eligible for funding if they contribute directly to these objectives.

1.2 Legal basis

Project grants will be awarded in accordance with these funding regulations, the BMBF's standard terms and conditions for grants on an expenditure or cost basis and the administrative regulations under Sections 23 and 44 of the Federal Budget Code (BHO). There is no legal entitlement to a grant. The funder will decide on the award of grants after due assessment of the circumstances within the framework of the budget funds available.

2. Object of funding

Funding comprises three different modules, with junior research groups (Module 1) being by far the most important.

Module 1 covers the funding of up to two multidisciplinary junior research groups per ZIK for a period of up to five years. The leaders of these groups are appointed in a special selection procedure (see 7. below). The first new junior research group at a ZIK is to address research topics which are the focus of the centre's work and contribute directly to establishing it in international cutting-edge research. If funding is provided for another working group, this will

preferably address research that directly serves to develop and enhance the basic research results of the centre for use in the envisaged technology and process innovations, if possible also in companies in the region.

Module 2 enables the funding of strategic investments to the extent that they are necessary for achieving the programme's funding objectives (see 1.1 above). Project funding under Module 2 will only be provided in individual cases and if required for special reasons.

Module 3 provides funding for collaborative projects of a ZIK II with other R&D partners if the projects are of strategic importance for permanently establishing the centre in international cutting-edge research or for preparing technology and process innovations in companies in the region.

3. Recipients of funding

Applications for funding under Modules 1 and 2 may be filed by the public, non-profit institutions of higher education and research establishments in the new *Länder* supporting the eight ZIKs II and/or the relevant centres and their facilities themselves:

- ZIK innoFSPEC / University of Potsdam, Leibniz Institute for Astrophysics Potsdam
- ZIK HIKE / University of Greifswald, Greifswald University Hospital
- ZIK plasmatis / Leibniz Institute for Plasma Science and Technology
- ZIK B CUBE / TU Dresden
- ZIK Virtuhcon / TU Bergakademie Freiberg
- ZIK SiLi-nano / Martin Luther University Halle-Wittenberg, Max Planck Institute of Microstructure Physics, Fraunhofer Institute for Mechanics of Materials, Fraunhofer Center for Silicon Photovoltaics
- ZIK HALOmem / Martin Luther University Halle-Wittenberg
- ZIK Septomics / Friedrich Schiller University Jena, Jena University Hospital, Leibniz Institute for Natural Product Research and Infection Biology - Hans Knöll Institute

Applications for funding of the collaborative projects described under 2. above (Module 3) may be filed by the above institutions of higher education and research establishments as well as their collaboration partners. These partners can be other public, non-profit institutions of higher education, non-university research establishments and similar institutions as well as commercial companies in the new *Länder*.

4. Prerequisites for funding

The basic prerequisite for funding of a project under Modules 1 to 3 is the submission of an elaborated and enhanced strategic plan of the applying ZIK II of 2008 by the institutions supporting the centre. The elaborated plan must have been evaluated positively by a panel of

experts appointed by the BMBF (see 7.2.1 below). The actual implementation of the updated strategic plan is another binding condition for the funding of a project under Modules 1 to 3.

Another major prerequisite for funding under Module 1 is that the applying institution makes the working tools (basic equipment with lab space, appliances and other infrastructure) which are needed for implementing the research project(s) available to the junior research group(s) at the centre and that it supports the leader of the junior research group(s) in all project-related matters.

A scientific advisory committee with at least four members is to be established at each funded ZIK to support the centre in the implementation of the strategic plan. The committee will include well-balanced numbers of representatives from science and industry; members belonging to one of the institutions supporting the ZIK may only constitute a minority of the committee. The committee will meet at least once a year; the project management organization will be informed about the major results soon after the meeting.

The BMBF intends to evaluate the progress of the centres in implementing the elaborated strategic plans with regard to the effectiveness of future funding measures during the second funding phase. The centres' spokespersons and the leaders of the funded projects are required to take part in these events and surveys.

In their own interest, applicants should familiarize themselves with the EU's RTD Framework Programme in the context of nationally planned projects and check whether the envisaged project has specific European components so that exclusive EU funding would be possible. Applicants should furthermore check whether an application for funding can be submitted to the EU in addition to the national application. The result of such checks is to be briefly described in all national applications for funding.

If applications are submitted for funding of a collaborative project (Module 3), the partners in the collaboration are required to conclude a cooperation agreement. Before a funding decision can be taken, applicants must prove that they have reached a basic agreement on certain criteria stipulated by the BMBF. For further details please refer to BMBF form 0110 which can be found at https://foerderportal.bund.de/easy/module/easy_formulare/download.php?datei=219.

5. Type, scope and rates of funding, other funding recipients

Funds will be awarded in the form of non-repayable project grants. Funding for junior research groups will be provided for a period of up to five years. The duration of investment projects (Module 2) and collaborative projects (Module 3) will usually be a few months and one to two years, respectively.

The basis for calculating the grants for institutions of higher education, research establishments and similar institutions is the eligible project-related expenditure (the eligible project-related

costs in the case of Helmholtz centres and the Fraunhofer Gesellschaft – FhG), which can be funded up to 100% in individual cases.

Grants for commercial companies (only Module 3) will be calculated on the basis of the eligible project-related costs, up to 50% of which can as a rule be covered by government grants, depending on the project's relevance to application. The BMBF's policy requires an appropriate own contribution of at least 50% towards the eligible costs incurred.

The European Commission's Community Framework for State Aid for Research, Development and Innovation must be taken into account when determining the rates of funding. The Community Framework allows differentiated bonus arrangements for collaborative projects and for small and medium-sized enterprises (SMEs), which may result in a higher rate of funding.

The expenditure or costs involved per project are eligible for funding in accordance with the BMBF's standard terms and conditions for project funding and depending on the technical requirements of the project.

The following special conditions apply to funding for junior research groups (Module 1):

- Staff resources (unless budgeted): usually up to five, in individual cases up to seven posts (which can be shared), of which
 - one post of junior research group leader
 - one post – half a post each per project at centres where two junior research group projects are funded – for a coordinator to manage the junior research group and the ZIK (including budgeting, initiation of cooperation, controlling, patent strategy, support for junior researchers, planning of activities to attract broad media and public attention)
 - post-docs, doctoral students and technical staff.

In addition, applications for funding of student and/or academic assistants' pay can be filed.

- Expenditure on construction measures, large-scale investments, computing services and rents is not eligible for funding.
- The expenditure or costs incurred for contracts with third parties or external R&D services must not exceed 10% of total funds.
- The expenditures or costs of fixed assets and other investments or write-downs on project-specific equipment and other depreciation for wear and tear are limited to 20% of total funds.
- Separate applications for funding can be filed for project-related research periods abroad of members of the junior research group (with the exception of technical staff and students) and of foreign researchers and students at the respective ZIK II. The reasons for the project-related work and the objectives of the research periods as well as the expected benefit for the centre are to be specified in detail. Funding for research periods of foreign researchers and students at the centre will only be provided if (i) they have not spent most of the preceding two years in Germany, (ii) their work or studies in the preceding two years have focused on the topic of the ZIK and (iii) students are under 28 years of age.

The upper limit of eligible expenditure is governed by the provisions of the Federal Travel Expenses Act. In well-justified individual cases, applications can be filed for funding of limited employment of foreign researchers during their research periods.

Additional staff expenditure by funding recipients which are mainly financed with public money may be considered eligible for funding under collective agreements provided the staff concerned is not in a better financial position than comparable federal employees due to this expenditure.

The cumulation of funding from this funding measure and from other federal programmes for the purpose of complementary funding within individual projects is not permitted. The degree to which projects can be funded jointly with other public providers of funding is dependent on the applicant's legal structure and on the nature of the project and must be considered on a case-by-case basis.

6. Other terms and conditions for funding

The *Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung (ANBest-P)* (General Auxiliary Conditions for Grants Provided for Projects on an Expenditure Basis) 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 BMBF for the Promotion of Projects on Expenditure Basis) will form part of the notification of award of grants on an expenditure basis.

The *Nebenbestimmungen für Zuwendungen auf Kostenbasis des BMBF an Unternehmen der gewerblichen Wirtschaft für Forschungs- und Entwicklungsvorhaben (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 for grants on a cost basis.

7. Procedure

7.1. Involvement of a project management organization

The Federal Ministry of Education and Research has commissioned the following project management organization to implement the funding activity:

Projektträger Jülich (PtJ)
Geschäftsbereich Technologische und regionale Innovationen (TRI)
Forschungszentrum Jülich GmbH
Postfach 610247
D-10923 Berlin

The contact person is:

Dr. Christoph Wannek
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The organization will provide further information and details.

Application forms, 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

or can be obtained directly from the project management organization. Applicants are requested to only use the easy-Online application system for drafting applications (*Fördermaßnahme: Unternehmen Region – Die Innovationsinitiative für die Neuen Länder; Förderbereich: Wachstumskerne, WK Potential, ZIK, InnoProfile, Zwanzig20*) at <https://foerderportal.bund.de/easyonline/> and to refer to the ZIK programme or the title of the ZIK in question in item "Kurzwort (Akronym) des Vorhabens".

7.2. Multi-step funding procedure

The selection and funding procedure comprises several steps. Selection is a competitive process.

7.2.1 Submission and evaluation of elaborated strategic plans for ZIKs II, decision-making on funding for junior research groups

In a first step, the eight ZIKs II will submit 14 hard copies and an electronic copy of their elaborated strategic plans to the project management organization by 31 January 2015 at the latest indicating as reference "Centres for Innovation Competence, ZIK II, Phase 2". The submission deadline is not a cut-off deadline. However, it may not be possible to consider strategic plans received after this date. No legal claim can be derived from the submission of a strategic plan.

An identical hard copy must be submitted to the project management organization via the competent ministry of education or higher education and research of the *Land* where the ZIK is located. The competent ministry may add a comment.

The elaborated and enhanced strategic plans must not exceed 40 pages (A4 with text on one side only, 12 point font, 1.5 spacing) and should describe the development of the ZIK to date (target-performance analysis) as well as the centre's envisaged development in the medium and long term. The strategic plans as such must be eligible for evaluation but annexes may also be included.

If possible, the following aspects should be addressed both in the retrospective part of the strategic plan and in the description of what is envisaged for the coming years:

- Fields of work of the ZIK and its position in international competition (competition analysis)
- Scientific work of BMBF-funded junior research groups
- Thematic and structural integration of the ZIK in the supporting institutions
- Organization of the ZIK; tasks and powers of the junior research group leaders
- Requirements and prospects for junior research group leaders
- Recruitment and training of junior researchers
- International dimension
- Intellectual property protection and utilization
- Financial planning (for a future period of at least 8 years)

The strategic plan must include binding arrangements for junior research group leader posts (such as junior professorship, tenure track or W2 professorship) as well as a statement of the prospective supporting institution concerning accommodation and support of the junior research group(s) in accordance with 4. above.

A panel of experts convened by the BMBF will evaluate the strategic plans against the background of the funding objectives set out under 1.1 above. The BMBF will decide on the scope of funding for the individual ZIKs under Module 1 of the present regulations on the basis of the evaluation. The resulting funding decision will be communicated in writing to the spokespersons of the ZIKs.

7.2.2 Application and decision-making procedure for funding under Modules 1 to 3

7.2.2.1 Module 1: Junior Research Groups

The BMBF intends to issue an international call together with the ZIKs in order to invite suitable junior researchers to apply as group leaders and to select the proposals in a two-step procedure. The selected junior research group leaders will then submit applications for funding of their junior research group projects together with the hosting institutions.

I.) Application procedure for junior research group leaders

Applications written in German or English and including a project outline (see below) must be submitted by post or e-mail to the project management organization and the respective ZIK simultaneously by a date yet to be announced (in the above-mentioned call). Deadlines for submission are not cut-off deadlines. However, it may not be possible to consider applications received after this date. No legal claim can be derived from the submission of an application.

Applications may be submitted by German and foreign researchers holding a doctoral degree who are no older than **35 years of age** when submitting their application; applications may also be filed by researchers older than 35 in duly substantiated exceptional cases (e.g. child-rearing periods, university qualifications obtained as a mature student, completion of several degrees). Applicants for the first basic research-oriented group at a ZIK who spent most of the preceding two years in Germany must furnish evidence of at least two years of **research abroad**. The leader of a second junior research group to be additionally established at the ZIK with a focus on technology and process innovations should have an application background and be able to furnish proof of at least two years' **work abroad**.

The letter of application must include the following information (exclusion criteria):

a) Personal data (not more than 5 pages, 12 point font):

- Name, date of birth and nationality of the applicant
- Academic career (since leaving school) including information about previous work
- Current employment
- Presentation of the applicant's motivation
- List of major publications and patents filed
- References

b) Project outline eligible for evaluation (not more than 10 pages, 12 point font):

- Name of the ZIK and the junior research group for which the application is filed
- Topic and scientific objective of the planned research project which must correspond to the ZIK's main field of work
- Research methods to be applied and scientific relevance of the planned research project
- Description of the innovative approaches and the work schedule
- Presentation of resources planning (for example: how the junior research group will be composed, whether junior researchers will be brought along from another institution)
- Time schedule and milestones
- Prospects of success
- Opportunities for commercialization in the long term

II.) Decision-making procedure for junior research group leaders

The ZIKs, the project management organization and the BMBF will evaluate the applications received in a pre-selection process (which may involve external expert opinions). The BMBF will then invite the best applicants to present their projects in English or German to a panel which may include international experts.

In addition to fulfilment of the prerequisites for funding, the following evaluation criteria in particular will be applied:

- Scientific originality and feasibility of the project
- Qualifications and expertise of the applicant
- Compatibility of the project with the ZIK's profile
- Innovation potential of the project deliverables.

The votes of the respective ZIKs are taken into account in the selection of the junior research group leaders; the final decision is taken by the BMBF. The applicants are informed about the result of the decision-making procedure.

III.) Application procedure for junior research group projects

When the junior research group leaders have been selected, the hosting higher education institutions and research establishments will be invited to submit formal proposals for junior research group projects in a second step of the procedure (see 7.1 above). The proposals will be submitted in consultation with the designated junior research group leaders who will explicitly be mentioned as project leaders. If possible, the proposals should be received by the project management organization three months after the invitation to submit an application.

The BMBF will decide on the submitted proposals after their evaluation within the framework of the budget funds available.

7.2.3 Module 2: Strategic investments

Measures for strategic investments whose importance for establishing a ZIK II in international cutting-edge research emerges in the second funding phase can be funded in individual cases. Relevant project outlines can be submitted to the project management organization. These outlines will be subject to a scientific evaluation; applicants whose outlines have been evaluated positively will be invited by the BMBF to submit a formal proposal.

This proposal must be submitted to the project management organization (see 7.1 above); a decision will be taken after its final evaluation within the framework of the budget funds available.

7.2.4 Module 3: Collaborative projects

If collaborative projects are already part of an elaborated strategic plan or if the implementation of a strategic plan reveals the necessity of a collaborative project, a collaboration outline may be submitted to the project management organization which explains in detail why the collaboration is of strategic importance for realizing the funding objectives of the programme. These outlines will be subject to a scientific evaluation; applicants whose outlines have been evaluated positively will be invited by the BMBF to submit a formal proposal.

The formal proposals will be submitted to the project management organization consisting of a description of the collaborative project, descriptions of the individual projects of the partners and the forms AZA, AZAP or AZK. A decision on these proposals will be taken after final evaluation within the framework of the budget funds available.

The approval and payment of and accounting for funding under Modules 1 to 3 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*).

Berlin, 16 September 2014
Federal Ministry of Education and Research

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