

INDO-GERMAN SCIENCE AND TECHNOLOGY CENTRE (IGSTC)

IGSTC CALL FOR PROPOSALS 2009

(Announcement by the Federal Ministry of Education and Research (BMBF) and the Department of Science and Technology (DST) of the Ministry of Science and Technology of the Republic of India)

Announcement of funding regulations for Indo-German research and development projects involving science and industry (2+2 projects¹) in selected fields (biotechnology, energy, environmental technologies, health research and production technologies) within the framework of the Indo-German Science and Technology Centre (IGSTC).

1. Funding purpose and legal basis

1.1 Funding purpose

On the basis of the joint statement issued on 23 April 2006 by the heads of Government of the two countries, the Department of Science and Technology (DST) of the Republic of India and the Federal Ministry of Education and Research (BMBF) of the Federal Republic of Germany decided on 30 October 2007 to establish an Indo-German Science and Technology Centre (IGSTC), thus reiterating the importance of continued cooperation between Germany and India in the fields of science, research and technology as well as industrial research and development.

Under the first call for proposals of the "Indo-German Science and Technology Centre", the Federal Ministry of Education and Research (BMBF) and the Department of Science and Technology (DST) of the Ministry of Science and Technology (MST) will provide funding for collaborative research projects in selected fields.

The aim is to intensify cooperation between German and Indian representatives of science and industry by means of 2+2 projects. The term "2+2 projects" refers to R&D projects with the participation of at least one German and one Indian research institution as well as one German and one Indian industry partner.

¹"2+2 projects": R&D projects with the participation of at least one German and one Indian research institution as well as one German and one Indian industry partner

1.2 Legal basis

Project grants can be awarded in accordance with the present funding regulations of DST and the BMBF's standard terms and conditions for grants on an expenditure or cost basis and the administrative regulations. There is no legal entitlement to a grant. The funding will be decided independently after due assessment of the circumstances and within the confines of the budget funds available.

2. Object of funding

Against the backdrop of the situation described above, this call for proposals has the aim of supporting joint research projects in the area of applied research and development (in individual cases also basic research) in the following fields:

- Biotechnology
- Energy
- Environmental technologies
- Health research
- Production technologies

The joint research projects should make a contribution towards achieving the objectives of the Indo-German S&T Centre, which are as below:

- playing a proactive role in facilitating participation of industry in joint R&D projects,
- providing/assisting in mobilizing resources to carry out industrial R&D projects,
- promoting electronic exchange and dissemination of information on opportunities in bilateral S&T cooperation. The Centre will also prepare/compile state-of-the-art reports on topics of interest with the help of highly qualified scientists and technologists, one from each country,
- providing individual advice to institutes and industries from either country on the possibilities of Indo-German cooperation and helping in the identification of suitable partners,
- facilitating and promoting Indo-German bilateral collaborations in basic and applied science, research and technology through substantive interaction among government, academia and industry,

- encouraging public-private partnerships (PPP) to foster elements of innovation and application and cultivating a culture of cooperation between science and industry,
- nurturing contacts between young and mid career scientists and technologists to develop a sense of mutual trust, partnership/ leadership and entrepreneurship,
- developing cooperation through the identification of scientists and scientific institutions of the two countries,
- organizing workshops, seminars, training programmes and other types of events on topics of mutual interest, and to
- supporting or conducting any other mutually agreed future activities.

Under this call for proposals, funding can be provided for joint projects that are expected to produce insights and exploitable research results leading to new technologies, products and/or services.

In these joint research projects, cooperation with the partner country should offer a certain added value compared to previous collaborations. The benefits for Germany/India should be clearly identifiable.

3. Recipients of funding

Research organizations, state and non-state institutions of higher education, non-university research institutions, and private companies are eligible to submit applications.

For private companies, the restrictions are described in chapter 5.

For German applicants: Research establishments which receive joint basic funding from the Federal Government and the *Länder* can be granted project funding to cover additional expenditure under certain conditions only.

4. Prerequisites for funding

The prerequisites for funding are the expected scientific progress and the potential for realization and success in accordance with the objectives of this call.

The expertise of the applicants, based on their previous relevant work, is also a prerequisite for funding, as is a strong willingness to cooperate. R&D projects that include the participation of at

least one German and one Indian research institution as well as one German and one Indian industry partner (“2+2 projects”) will be given priority.

The German and the Indian partners must submit the jointly formulated proposal simultaneously to the IB/BMBF and the DST, respectively. Unilaterally submitted proposals will not be considered.

A letter explaining the intentions of the project partners must be included in the application. Before any funding is provided for the joint research project, all project partners must formalize their cooperation by concluding a cooperation agreement. The relevant information is available at **Annexure-I** under the heading "Information for applicants on cooperation agreements". If requested, the cooperation agreement, together with the relevant information, must be made available to the funding organizations (BMBF/IB and DST).

For German applicants:

In their own interest, applicants should familiarize themselves with the EU's Research Framework Programme in the context of the envisaged project. They should check whether the planned project includes specific European components which make it eligible for exclusive EU funding. Furthermore, they should check whether an additional application for supplementary funding can be submitted to the EU for the proposed national project. The results of these enquiries should be described briefly in the national project application.

5. Type, scope and rates of funding

Funding is provided in the form of non-repayable grants and/or soft loan (only in case of Indian private industry) amounting up to € 400,000 per project from each side, generally for a period of up to three years, to cover costs for staff and other costs (consumables and travel costs are eligible for funding; equipment that are not part of the applicant's basic equipment). This includes expenses for travel and research visits as well as project-specific investments, if applicable.

For German applicants:

Grants for commercial companies are calculated on the basis of the project-related costs eligible for funding, up to 50% of which can as a rule be covered by grants, depending on the project's orientation towards application. The BMBF's policy requires the applicants to make an appropriate contribution – at least 50%, as a rule – towards the eligible costs incurred.

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

The European Commission's Community Framework for State Aid for Research and Development must be taken into account when determining the rates of funding from German side.

The Community Framework allows differentiated bonus arrangements for collaborative projects proposed by small and medium-sized enterprises (SMEs), which may result in a higher rate of funding.

For Indian applicants:

The private company is required to make an appropriate contribution – at least 50%, as a rule – towards the eligible project costs to the company. Remaining funding up to 50% of the projected cost can be supported as a soft loan (on prevailing terms and conditions), depending on the project's orientation towards application.

Grants for universities, research establishments and similar institutions are calculated on the basis of the eligible project-related expenditure which can be funded by a maximum of 100%.

The entire project funding would be provided under the umbrella of Indo-German S&T Centre. Financial support for the Indian component would be provided by DST and financial support for the German component would be provided through International Bureau of the Federal Ministry of Education and Research (IB-BMBF at DLR), Bonn (c.f.7 below).

Rates for travel and research visits:

The partner countries have agreed to split the costs in the following way: The country of origin will cover the expenses for travel from the researchers' place of work in the country of origin to all institutions visited in the partner country, as well as visa fees, airport taxes, overseas health insurance, accident insurance and personal liability insurance. The host country will bear the costs of board and lodging.

The IB will generally provide financial support to cover the travel expenses incurred by German project partners travelling to India (transportation to the airport, flights and visa fees) and the cost of room and board of Indian project partners visiting Germany (per diem).

The DST will generally provide financial support to cover the travel expenses incurred by Indian project partners travelling to Germany (transportation to the airport, flights and visa fees) and the costs of room and board of German project partners visiting India (per diem).

The following per diem allowances apply:

- In India: Rs. 1000 per day plus accommodation for visits up to 30 days duration and Rs. 700/- per day for each additional days beyond 30 days plus furnished institutional guest house accommodation
- In Germany: €82 per day (1 to 22 days); max.1840 € for 23 to 30 days, in the case of free accommodation: €26 per day (any free meals will be deducted from this amount)

Restrictions for commercial companies:

1. For German scientists and experts from the private sector who are travelling to India as part of the measure, funding is limited to travel expenses.
2. For Indian scientists and experts from the private sector who are travelling to Germany as part of the preparatory measure, funding is limited to the per diem and is provided by the International Bureau of the BMBF (IB; see section 5 below).

Any other costs that may arise must be borne by the applicants themselves.

6. Other terms and conditions for the awarding of grants

For German applicants:

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 funding contract for grants on a cost basis.

The *Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung* (General Auxiliary Conditions for Grants Provided for Projects on an Expenditure Basis – ANBest-P) and the *Besondere Nebenbestimmungen für Zuwendungen des BMBF zur Projektförderung auf Ausgabenbasis* (Special Auxiliary Terms and Conditions for Funds Provided by the BMBF for the Promotion of Projects on Expenditure Basis – BNBest-BMBF 98) will form part of funding contract of grants on an expenditure basis.

7. Procedure

7.1 Involvement of the Department of Science & Technology and the International Bureau (IB) of the BMBF (Handling, specialist information and advice for applicants)

On the Indian side, the following department has been entrusted with the implementation of the funding activity:

Department of Science & Technology
International Division
New Mehrauli Road,
New Delhi 110016

It is recommended that Indian applicants contact the Department of Science and Technology prior to submitting the application if they require further information or specialist advice. The contact person is:

Mr. R K Sharma,

Phone: +91-11-26590244 Fax: +91-11-26862418

E-mail: Sharma_rk@nic.in

On the German side, the Federal Ministry of Education and Research (BMBF) has entrusted the following organization with the implementation of the funding activity:

International Bureau of the BMBF (IB), c/o German Aerospace Center (DLR)
Heinrich-Konen-Str. 1, D-53227 Bonn
Internet: www.internationales-buero.de

It is recommended that German applicants contact the IB prior to submitting the application if they require further information or specialist advice. The contact person responsible for this call for proposals is

Ms. Verena Müller

Phone: +49(0)228-3821-462, Fax: +49(0)228-3821-444

E-mail: verena.mueller@dlr.de

7.2 Submission of proposals

One hard and a soft copy (in a SINGLE file in ms-word or PDF format only, please do not send any scanned page) copies of the application are to be submitted to:

The Coordinator
Indo-German S&T Centre (IGSTC)
C/O Head (International Division)
Department of Science & Technology
Technology Bhavan, New Mehrauli Road
NEW DELHI-110016

On the German side, applications should be submitted to the International Bureau of BMBF either in German or in English. (Please note that applications to the Indian side must be submitted in English).

The electronic application system “easy” (the use of AZK and AZA is strongly recommended; <http://www.kp.dlr.de/profi/easy/formular.html>) should be used wherever possible to write formal applications. Applications should also include a project description of up to 10 A4 pages (Arial, 11 point, 1.5 line spacing). In addition, an electronic copy of the application should be saved to an appropriate data storage medium and sent to the IB together with a printed, signed copy and a signed cooperation agreement.

The applications for funding must be submitted in agreement with the proposed project coordinator.

The German and the Indian partners must submit the proposal simultaneously to the organizations responsible for implementing the call on each side. Unilaterally submitted proposals will not be considered.

Research proposals must be submitted no later than 30th **April 2009** (postmark). The submission deadline is not a cut-off deadline. However, it may prove impossible to consider project outlines received after this date.

7.3 Selection and decision-making procedure

Applications will be considered on the basis of the following criteria:

- Scientific quality of the work plan; quality of the scientific approach
- Qualifications and expertise of the applicant and the project partners
- Potential for realization and success in accordance with the work plan and the time schedule

- Intensity of bilateral cooperation
- Quality of the cooperation and mutual benefit; added value compared to previous collaborations; synergies
- Commercial exploitability of the expected results
- Support of young scientists

The applicants will be informed in writing about the results of the evaluation.

All proposals received are peer reviewed and processed independently by both sides (DST and BMBF / IB). Funding will only be provided if both the DST and the IB agree to support the project.

For Indian applicants: The Department of Science & Technology will issue a sanction order with the successful Indian applicant.

For German applicants: The International Bureau at the DLR will conclude a funding contract under private law with the selected German applicants.

Project funding is expected to start on 1st October 2009.

8. Entry into force

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

New Delhi/ Bonn

January 2009

The submission of an application does not establish a legal claim to funding.

APPLICATION FORMAT

Applications should be structured as follows:

1. Topic and thematic field (see section 2)
2. Coordinators of the collaborative project (Principal Investigators) in Germany and India and further partners (Indian and German partners) with their contact details
3. Structured financing plan with details of own funding contributions and of the total volume and funding volume of the project. The financial component pertaining to mobility of researchers under the project may be indicated separately from each side giving number and exact duration of each visit.
4. Project description
 - 4.1. Description of the current state of the art of science and technology; scientific objectives with a detailed description of the relevance to the thematic priorities of the calls
 - 4.2. Nature and extent of the proposed cooperation
 - 4.3. Planned results of the project and its proposed exploitation
5. Work plan
 - 5.1 Planned procedural steps
 - 5.2 Division of the work packages between the partners (German and Indian partners)
 - 5.3 Schedule and milestones
6. Proof of the qualifications of the applicants and the project partners
 - 6.1 Key areas of relevant work to date
 - 6.2. Description of existing contacts and cooperation with India / Germany
7. Attach one page brief CV/ bio-data's of each project participant to the proposal

Information for applicants on cooperation agreements

Details of cooperation are to be laid down by the Partners of the joint project in a written cooperation agreement that should contain regulations with a balanced distribution of rights and duties for the use and exploitation of knowledge and results among the Partners. The special achievements involved in an invention have to be recognized. Inventions must therefore be treated differently from any other results obtained in the project

a) Cooperation agreement

The Partners should enter into a legally binding cooperation agreement prior to the start of the project. The cooperation agreement must provide at least the following information about the project:

- Partners in the project
- expenditure/ costs and funding
- project period
- work plan
- list of existing IPRs (intellectual property rights), utilization plan, terms of ownership and use of IPRs generated by the project
- project management
- confidentiality, dissemination of knowledge.

b) General aspects on inventions

Before agreeing on the ownership of inventions, the Partners should inform themselves about the legal premises for gaining an effective position to grant any right on inventions made by their staff to their Partners. The Partners must exercise reasonable effort to bring themselves in the position to grant such rights.

The Partners should agree on procedures to inform each other timely on inventions and patent strategy. Methods to coordinate intellectual property rights (IPR) activities should be described (e.g. establishment of an IPR steering committee could be considered).

If a Partner waives IPR relevant to the project, the interest of the other Partners should be considered.

The Partners may additionally agree that inventions arising from the joint research project must first be offered for a reasonable period of time to the other Partners for use (right to primary negotiation).

c) Ownership of inventions

Fair rules on ownership and use should be applied, reflecting the following principles:

- (1) If an invention arises in a joint research project, it should be the property of the Partner creating it, i.e. whose staff has provided the special achievement leading to the invention. This Partner shall initiate the necessary steps for patent protection.
- (2) If staff members of several Partners are involved in an invention (joint invention), joint ownership should apply. The shares of ownership should reflect the contribution to the inventive achievement. The Partners involved should agree in good faith on the modalities of patent protection to the benefit of all owners.
- (3) Instead of joint ownership it is possible to exchange rights as well as an additional remuneration, or grant options for the use of rights to results on generally accepted market conditions.

- (4) In assessing the compensation for use, the holders of rights should take those contributions by the Partners into consideration which are to be regarded as a necessary, but not sufficient prerequisite for the invention. Such contributions should be adequately taken into consideration in the assessment of licence fees, e.g. by a significant deduction in comparison to those not involved, which – in particularly justified cases – may even lead to an extensive renunciation of licence fees.

This is analogously applicable to joint inventions.

- (5) Project Partners that are not involved in the inventive achievement should be able to acquire licences for use outside the project. A participation in the project as such does not justify any claim for the use free of charge beyond the project. Licensing by the holders of rights should take place on generally accepted market conditions, to be agreed upon prior to an intended use.
- (6) The Partners should be aware that – despite of all these regulations – some points cannot be regulated in the cooperation agreement (e.g. whose staff has provided the special achievement; which contributions are adequate). Therefore the Partners should agree on arbitration proceedings aimed at an amicable settlement in the event of disputes about patent issues.
- (7) In the case of joint R&D projects, in which a public or scientific institution or public supported body is involved in addition to a private company, economically imbalanced contributions must be carefully evaluated with a view to No. 2.4 of the Community frame of the European Commission for R&D aids granted by states; the result of such an evaluation has to be documented.

d) Confidentiality, Knowledge

The Partners must agree on confidentiality and the dissemination of knowledge. It is especially important to agree on how to make knowledge accessible to each other, in a manner that project objectives can best be obtained. Procedures and rules of disseminating knowledge should be agreed upon prior to the start of the project. The Partners should respect each others secrets in commerce and should maintain adequate procedures to protect any confidential information of the Partners, which was made accessible to them.

e) Applicable law, jurisdiction

If Partners from different countries are involved in the joint project, the Partners should agree upon which law should be applicable and where jurisdiction should be in matters not subjected to regulations by the funding agreement signed with the national funding agency.