

Avdelningen för forskning, innovation och affärsutveckling

# Do you want to contribute to knowledge about the role of biomass in society and sustainable bio-based solutions?

In this call for proposals, the Swedish Energy Agency is providing support for research and innovation projects that contribute to the energy and climate transition by developing knowledge about the role of biomass in society and sustainable bio-based solutions.

The call has a scope of approximately SEK 100 million.

The closing date for applications is 24 May 2022.

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# 1 Focus of the call

In this call for proposals, the Swedish Energy Agency is providing funding for research and development projects that contribute to the energy and climate transition by developing knowledge about the role of biomass in society and sustainable bio-based solutions.

The call has a scope of approximately SEK 100 million. The maximum permitted level of support per project is SEK 10 million. Please submit your application no later than 24 May 2022

For many years, Sweden's bio-based economy has been developed and diversified, to a point where it can now produce a number of bio-based materials, products and fuels. Bioenergy is, and will continue to be, an important element of the Swedish energy system and a central piece of the jigsaw puzzle to achieve the energy and climate policy goals. A growing bioeconomy will require large volumes of biomass, and an important starting point is that it must be used as resource-efficiently as possible and be based on sustainable value chains, in economic, ecological and social terms. The solutions and value developed must be competitive, if possible improve the ecological status of land and water, contribute to security and equality and make a joint contribution to flexibility and robustness in the energy system. There is also a need for knowledge of how the production and use of biomass affects actors in society, and of potential risks and conflicting goals that may arise.

The contribution of the bioeconomy, bioenergy and biomass to the energy and climate transition is significant, but it has the potential to be even greater. The Swedish Energy Agency wants to use the Bio+ research and innovation programme to develop sustainable bio-based solutions and value chains, and to increase knowledge and competence about how these should interact with each other, the energy system and society. See [section 9](#) for further information. This is the third call within Bio+, and we welcome project proposals for research and innovation projects that contribute to one or more of the following areas:

- 1) Biomass and bio-based solutions
- 2) Sustainability, social perspective and system analysis

The timetable for submitting applications, for decisions and start dates for projects is set out in the table below.

<b>Deadline for applications</b>	<b>Decisions planned in</b>	<b>Earliest project start</b>	<b>Project ends no later than</b>
24 May	October at the earliest	1 November 2022	31 December 2025

### **Area 1 - Biomass and bio-based solutions**

This area deals with the supply of sustainable biological feedstock, i.e. biomass, and its conversion into energy-related products, as well as co-production between these and other bio-based products.

To be able to realise the energy and climate transition, sufficient access is needed to characterised biomass and good knowledge of its use and conversion, as well as bio-based value chains and bio-based systems. One of the challenges is to have enough biomass to meet all needs. To be able to meet an increased demand for sustainably produced biomass, a variety of production systems are needed that are able to deliver both sufficient biomass and climate benefit without compromising environmental goals. The utilisation of side streams and residual streams is also key, as is production in close symbiosis with related operations, in order to enable the sharing of energy and feedstock between operations and to increase resource efficiency.

In order to broaden the base of the bio-based industry, it will need both radical improvement and further development of existing technologies, methods, new business models, value chains and services, while knowledge and solutions need to be developed for new, resource-efficient and cost-efficient process concepts.

Furthermore, it is an important challenge to integrate different process concepts and new cross-sectoral constellations through biocombines and/or biorefineries, where new and existing industries (e.g. pulp and paper industry, refinery industry, chemical industry and food industry) can integrate fuel production, cogeneration and district heating into their operations.

### **Area 2 - Sustainability, social perspective and systems analysis**

This area deals with system- and sustainability-related issues linked to the role of biomass and bio-based solutions in the energy and climate transition, as well as an increased understanding of different perspectives on the sustainability aspects of biomass and bioenergy.

Scientifically based sustainability criteria for biological feedstocks i.e. biomass will be central to the use of all different forms of bioenergy. The challenge is to apply a holistic perspective to evaluating the climate and energy benefits of biological feedstocks. This requires knowledge of the sustainability of the biomass from several perspectives, such as greenhouse gas balances, the impact on the achievement of Swedish environmental goals and various aspects of land use.

The debate on the management of our natural resources has become increasingly polarised, not least when it comes to forestry. There is a need for greater knowledge, not only about how policies and instruments and how different ways of producing and using biomass affect actors in society both directly and indirectly, through jobs, for example, but also about the national economy and the transition in general. There is also a need here for critical perspectives and knowledge of potential risks and conflicting goals that may arise in the extraction and use of biomass, as well as different ways of evaluating and balancing any conflicting goals that may arise. The research must contribute to background knowledge as a guide for users and decision-makers.

System-wide studies and analyses can be based on cross-disciplinary research, social science and humanities methods and theories in order to increase insights into how the bioeconomy, bioenergy and sustainable biomass can contribute to the development of the energy system and society's transition in general. This area can also include research projects of a scientific/technical nature.

**Delimitations:**

Common to all projects is that they must take their starting point in sustainable, bio-based feedstock and they must contribute to the energy and climate transition.

The following is NOT included in the call:

- technological development for carbon capture and storage (the technologies may, however, be included in system studies and as subsystems in different technical concepts based on sustainable, bio-based feedstocks).
- large pilot and demonstration projects with more than SEK 7 million in eligible costs (please refer to the call entitled Pilot & demonstration).

## 2 Who can apply?

All actors who can contribute to achieving the purpose of the call can apply. These can be, for example:

- companies
- the public sector
- social sciences, humanities, technical and scientific disciplines from institutes of higher education
- institutes
- other actors

Gender equality and diversity shall be taken into account in the composition of the project group, when selecting project managers and in the implementation of the project, in its content, objectives and effects.

Specifically for institutes of higher education: licentiate projects, projects that are part of a doctoral programme and post-doctoral researchers are particularly welcome in this call in order to strengthen academic competence in the field.

Specifically for projects of a technical nature: relevant recipients of the results and/or actors along the value chain must be actively involved in the project. The application will be boosted by the fact that the project has a financial engagement and engagement from a broader circle of stakeholders in which different kinds of actors (industry, academia and research institutes) are collaborating.

### 3 Assessment criteria

The projects described in the applications will be assessed on the basis of the four following criteria:

#### **Potential for the energy and climate transition**

- To what extent does the project have the potential to contribute to the energy and climate transition?
- To what extent can the project contribute to the development of a sustainable energy system?
- To what extent does the project contribute to [the programme's targeted outcomes?](#)

#### **Goals and implementation**

- Does the project have goals that are measurable, specific, well-defined and reasonably ambitious?
- Is the proposed timetable specific and realistic?
- Does the project have a relevant constellation of actors with the right skills and the right resources to implement the initiative?
- Is the budget reasonable in relation to the intended initiatives and goals?
- Is there an awareness of gender equality in the composition, division of work and working conditions of the project group?
- Is the gender perspective relevant to the project, and if so, how well is this incorporated into project implementation?

#### **Level of innovation and/or scientific quality**

- How well is the current state of knowledge described?
- Is the project considered to be of high scientific quality?

- Is there a need identified for the project's results, e.g. a distinct knowledge gap or market potential?
- To what extent is the project innovative in relation to current knowledge and previous research?
- To what extent is the project innovative in relation to current products, services, processes or methods?

#### **Benefits and/or dissemination**

- To what extent can the project be useful, for example through competence building, publications, new products, services, processes or commercialisation?
- Is there a demand for the project's results, does the project help to address important industry and social issues?
- Are there clear target groups and/or end users for the project results, and are their needs being taken into account?
- Is the plan for the usefulness and dissemination of the results specific and realistic?

In order to achieve the programme's goals, the Swedish Energy Agency may take into account the composition of the project portfolio.

## **4 How to apply - start in good time**

Follow these steps and the processing of your application will be faster:

- Use the e-service "Funding for research and innovation" on My Pages to write your application (<https://minasidor.energimyndigheten.se>). The call is entitled **Bioplus 2022 FoI**.
- Start by applying for authorisation to represent the coordinator, i.e. the organisation that will be coordinating the project, which will receive the support from the Swedish Energy Agency and which will forward the support to potential other beneficiaries participating in the project. Apply for authorisation in good time, as it can take a couple of days to obtain authorisation. You will receive an email when your application has been approved.
- Once you have been given authorisation for the e-service, you have access to the form "Application for funding for research and innovation", which you must complete and submit.

The call closes on **24 May 2022 at 23:59**. We provide support until 16:00 the same day.

## 5 What should be included in the application?

Write your application text in the application form on My Pages. Read more about what the application should contain in Instructions for the application (<http://www.energimyndigheten.se/forskning-och-innovation/sok-stod-och-rapportera/anvisningar-for-ansokan-via-mina-sidor/>).

Attach the CV of the project manager and other key individuals, with a maximum of one A4 page each.

### **Important: explain why the project needs to be implemented**

- The application must clearly state how the project contributes to the energy and climate transition and to the development of a sustainable energy system.
- The application is strengthened (where applicable) by simplified calculations/rough calculations regarding technology or finance that support the hypotheses included in the application.

Any figures and images referred to in the text can be attached. Please note that the project description must be included in the application form and must not be attached as an annex. The annexes must clearly supplement the application form and must not contain the same information as the application form.

## 6 How much support can each project partner receive?

In this call, a total of approximately SEK 100 million is available to the project partners who are granted support. The maximum permitted level of support per project is SEK 10 million.

The proportion of costs for which each project partner can receive support depends on, among other things,

- the level of eligible costs incurred by the project party
- whether the project party is a company is running a non-economic operation
- the category of research that the activities in the project are considered to correspond to.

For more detailed information about levels of support, eligible costs and kinds of activities, see [Annex 1 — support levels](#).



## 7 What happens after you have submitted your application?

Your application will be assessed by the Swedish Energy Agency. The assessment takes into account the views of an expert group that acts in an advisory capacity to the Swedish Energy Agency. It is the version of the application that you submitted before the closing date for the call that is assessed. We may request that you supplement your application if we find reason to do so.

The Swedish Energy Agency performs a credit check on applicant companies.

The Swedish Energy Agency then makes a decision to accept or reject your application, taking into account the expert group's assessments. **Decisions will be made no earlier than October 2022.**

You can track what is happening in your case on My Pages.

## 8 If you are granted support

Payment of the support is made in accordance with a payment plan contained in the decision, which you can find on My Pages. For more information, see Annex 2 – terms and conditions for authorised projects.

## 9 The call is part of the Bio+ programme

The Bio+ programme aims to develop bio-based solutions and value chains

and to increase knowledge and competence about how these should interact with each other and with the rest of the energy system. The solutions and value developed must be competitive, if possible improve the ecological status of land and water, contribute to security and equality and make a joint contribution to flexibility and robustness in the energy system.

The programme must create the conditions to commercialise and implement solutions for actors in the bio field. The dissemination of knowledge, the identification of needs and collaboration are key within the programme in order to create added value from the research, innovation and business development supported within the programme.

By 2030, the programme will have contributed to the following targeted outcomes:

### **Resource-efficient solutions**

Resource-efficient and cost-efficient technologies, products (goods and services) and system solutions are available. The solutions are competitive and are being exported to an international market. International standardisation contributes to increased trade.

### **Sustainable value chains**

Sustainable value chains are available that include the supply of sustainable bio-based feedstock and conversion into products and solutions that contribute to the transformation of the energy system. Value chains can also include utilisation of side streams and residual streams, and in interaction with other bio-based products.

### **New actor constellations**

New actor constellations have been formed in which collaboration and the continuous sharing of knowledge take place both nationally and internationally. Resource-efficient bio-based system solutions are developed and built up within or as a result of the constellations.

### **High level of competence**

Companies and organisations in Sweden can easily recruit the competence required the entire bio field. National competence at postgraduate level in the field is strong and adapted to meet society's needs.

### **Effective instruments and policies**

The bioeconomy's market mechanisms work well and interact with the energy system. Regulations have been designed based on current sustainability research, social studies, system and socio-economic analyses.

The programme will run between 2021 and 2025 has a framework of SEK 320 million.

This is call number 3.

More information about the programme can be found at [bioplusportalen.se](https://bioplusportalen.se) and on the Swedish Energy Agency's [website](#).

## **10 If you have any questions**

Send an email to [bioplus@energimyndigheten.se](mailto:bioplus@energimyndigheten.se) and quote "Bioplus 2022 FoI" in the subject line. '

## 11 Annex 1 – Aid intensities

### **Aid for research and development projects**

Aid to companies is granted in accordance with Ordinance (2008:761) on state aid for research, development or innovation in the energy sector. Ordinance (2008:761) enables the Swedish Energy Agency to provide state aid in accordance with Commission Regulation (EU) No 651/2014<sup>1</sup>.

### ***Eligible costs under § 12 of Ordinance (2008:761)***

The following are deemed eligible costs if the project activities for which you are seeking aid constitute research or development as defined in Article 25 of Commission Regulation (EU) No 651/2014:

- a) Personnel costs: researchers, technicians and other supporting staff to the extent employed in the relevant project.
- b) Costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles, are considered as eligible.
- c) Costs of buildings and land to the extent and for the period used for the project. With regard to buildings, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles, are considered as eligible. For land, costs of commercial transfer or actually incurred capital costs are eligible.
- d) Costs of contract research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project.
- e) Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project.

### ***Aid to actors performing non-economic activities***

Project partners who do not perform economic activities (such as universities, colleges, municipalities and research institutes, to the extent that the work is performed within the non-economic activities) can receive aid of up to 100 percent of the project partner's eligible costs in the project. Aid to actors engaged in non-economic activities is granted in accordance with the Swedish Energy Agency's current appropriation directions.

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<sup>1</sup> 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 (EUT L 187 26.6.2014, p. 1).

The following rules apply to indirect costs when the beneficiary performs non-economic activities:

- Universities and colleges may add indirect costs according to the full cost principle they apply.
- Other beneficiaries not engaged in economic activities can receive aid for indirect costs up to a maximum of 30 percent of their eligible direct personnel costs (wage and non-wage labour costs). This also applies if a beneficiary is engaged in both economic and non-economic activities, provided that the project is carried out in the non-economic activity.

### ***Aid to companies***

Aid for research and development projects is granted to companies in accordance with Section 12 of the Ordinance (2008:761) on state aid for research, development or innovation in the energy sector. To be eligible for aid, companies must satisfy the conditions set out in Article 25 of Commission Regulation (EU) No 651/2014. A company is any entity, regardless of its legal form, engaged in economic activity. Economic activity means the provision of goods or services on a market. Thus, a company is deemed to be any partnership, association, or entity engaged in a craft or other activity, whether individually or as a family, that is engaged in regular economic activity.

The percentage of the company's eligible costs (referred to as the aid intensity) that the aid from the Swedish Energy Agency may cover is determined by Article 25 of Commission Regulation (EU) No 651/2014. The aid intensity is determined based on, inter alia, the research category which the various research and development activities fall under and the size of the company receiving the aid. Company size is determined in accordance with the rules set out in Annex I to Commission Regulation (EU) No 651/2014, which are also described in the Commission publication User guide to the SME Definition.<sup>2</sup>

Beneficiaries that are companies (beneficiaries engaged in economic activity) may not receive aid for indirect costs. This also applies if a beneficiary is engaged in both economic and non-economic activities, assuming that the project is carried out in the economic activity.

### ***Project activities are divided into research categories***

The maximum aid intensity a company can receive depends on which research category the activities of the project are deemed to fall under. The activities of the project may also be considered to fall under several different research categories. The maximum permissible aid intensities that a company can receive for research and development projects are set out in Article 25 of Commission

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<sup>2</sup> The user guide is available on the website of the Publications Office of the EU:  
<https://op.europa.eu/sv/publication-detail/-/publication/756d9260-ee54-11ea-991b-01aa75ed71a1>

Regulation (EU) No 651/2014. Table 1 below describes the different research categories. Table 3 then shows the maximum aid intensities.

Table 1. Classification of research activities in research and development projects<sup>3</sup>

<b>Feasibility study</b>	the evaluation and analysis of the potential of a project, which aims at supporting the process of decision-making by objectively and rationally uncovering its strengths and weaknesses, opportunities and threats, as well as identifying the resources required to carry it through and ultimately its prospects for success.
<b>Fundamental research</b>	experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view.
<b>Industrial research</b>	the planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services. It comprises the creation of components parts of complex systems, and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation.
<b>Experimental development</b>	<p>acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services.</p> <p>Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real-life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes.</p> <p>Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.</p>

Please note that if the company to which the Swedish Energy Agency grants aid has received or is receiving funding for the project in the form of other public aid (such as other state, regional or municipal aid), this aid must be taken into account when calculating the amount of aid the company can receive from the Swedish Energy Agency. According to the EU's State Aid regulations, the *total* public aid granted to the company for the same eligible costs may not exceed the maximum aid intensities set out in Commission Regulation (EU) No 651/2014.<sup>4</sup>

### ***Amount of aid depends on the size of the company***

The maximum aid intensity that a company can receive for research and development projects also depends on the size of the company. If the applicant is a small or medium-sized enterprise, the aid intensity may be increased by 20 or

<sup>3</sup> The definitions are set out in Article 2(84–87) of Commission Regulation (EU) No 651/2014. The link is available on the call's website.

<sup>4</sup> See Article 8 of Commission Regulation (EU) No 651/2014.

10 percentage points respectively, as set out in Article 25 of Commission Regulation (EU) No 651/2014.

Company size is determined in accordance with the rules set out in Annex I to Commission Regulation (EU) No 651/2014, which are also described in the Commission publication User guide to the SME Definition.<sup>5</sup>

When assessing company size, the number of employees, annual turnover and balance sheet total must be taken into account, as well as any links the company may have to other companies. To qualify as a small enterprise, a company must have fewer than 50 employees and *either* an annual turnover *or* a balance sheet total that does not exceed EUR 10 million per year. To qualify as a medium-sized enterprise, a company must have fewer than 250 employees and an annual turnover that does not exceed EUR 50 million *or* a balance sheet total that does not exceed EUR 43 million (see below). This is set out in Article 2 of Annex I to Commission Regulation (EU) No 651/2014.

Table 2. Definition of company size<sup>6</sup>

Size	Number of employees*	Annual turnover or balance sheet total**
Small enterprise	< 50	≤ €10M
Medium-sized enterprise	< 250	≤ €50M resp. ≤ €43M
Large enterprise	≥ 250	> €50M resp. > €43M

\*) The term employees includes not only wage-earning workers, but also owners who work in the company without being employed and consultants who are dependent on the company.

\*\*) Data from last approved financial year are taken into account. For a threshold to be considered passed, the company must have had higher or lower values for two consecutive years.

The company's relationship with other companies also influences the assessment of company size. The most important factors are ownership of the company and the degree of control that other companies exercise over the company. The impact that ownership and degree of control has on the assessment of company size is described in more detail in Article 3 of Annex I to Commission Regulation (EU) No 651/2014 and in the Commission publication User guide to the SME Definition.

The table below shows the maximum aid intensity that can be granted to actors for research and development projects.

<sup>5</sup> The user guide is available on the website of the Publications Office of the EU: <https://op.europa.eu/sv/publication-detail/-/publication/756d9260-ee54-11ea-991b-01aa75ed71a1>

<sup>6</sup> Commission Regulation (EU) No 651/2014, Annex 1, Article 2. The link to the Regulation is available on the call's website.

Table 3. Overview of maximum aid intensities

Type of research and development	Small enterprise	Medium-sized enterprise	Large enterprise	Non-economic activity*
Feasibility study	70%	60%	50%	100%
Fundamental research	100%	100%	100%	100%
Industrial research	70%	60%	50%	100%
Experimental development	45%	35%	25%	100%

\*) E.g. universities and research institutes.

### **Supplement to aid intensities for companies**

A supplement of up to 15 percentage points may be granted to companies under certain conditions when the project constitutes effective collaboration<sup>7</sup> between companies or between companies and research and knowledge dissemination organisations, if the project concerns industrial research or experimental development. For such a supplement to be granted, certain specific conditions must be met.

In the case of collaboration between companies, at least one of the companies must be an SME, unless the project is carried out in at least two EU Member States<sup>8</sup>. None of the companies may bear more than 70 percent of the eligible costs.

In the case of collaboration between a company and one or more research and knowledge dissemination organisations, the research organisation must have the right to publish its own research results. The research organisation must also bear at least 10 percent of the eligible costs.

If the project does not constitute effective collaboration, a supplement of up to 15 percentage points may nevertheless be granted if the results of the research project, which relates to industrial research or experimental development, are *widely disseminated* through conferences, publication, open access repositories, or free or open source software.

The supplement for SMEs can be combined with the supplement for effective collaboration or with the supplement for wide dissemination. However, the aid intensity may never exceed 80 percent of the eligible costs.

<sup>7</sup> Effective collaboration, as defined in Article 2(90) of Commission Regulation (EU) No 651/2014, is a collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or multiple parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration.

<sup>8</sup> Alternatively, in a Member State and a country that is a contracting party to the EEA agreement.

### 11.1 Aid for commercialisation support activities

The Swedish Energy Agency can also fund commercialisation support activities within the framework of research and development projects. In this call, aid for commercialisation support activities can only be granted to SMEs. Describe the planned activities in an appendix on commercialisation support activities.

The maximum amount of aid for activities of this type is SEK 250,000. The maximum aid intensity is 35% for medium-sized enterprises and 45% for small enterprises.

#### ***Aid for costs of obtaining, validating and defending patents and other intangible assets***

Aid for costs of obtaining, validating and defending patents and other intangible assets<sup>9</sup> may be granted to SMEs under Section 15 of the Ordinance (2008:761) on state aid for research, development and innovation in the energy sector. To be eligible for aid, the company must satisfy the conditions set out in Article 28 of Commission Regulation (EU) No 651/2014.

- a) Costs of obtaining, validating and defending patents and other intangible assets.
- b) Costs for secondment of highly qualified personnel from a research and knowledge-dissemination organization or a large enterprise, working on research, development and innovation activities in a newly created function within the beneficiary and not replacing other personnel.
- c) Costs for innovation advisory and support services. 3. The aid intensity shall not exceed 50% of the eligible costs.

#### ***Aid for other commercialisation support activities***

Aid for other commercialisation support activities not related to the costs of obtaining, validating and defending patents and other intangible assets may be granted to companies in accordance with either Section 2, Paragraph 2 or Section 10 of the Ordinance (2008:761) on state aid for research, development and innovation in the energy sector.

**Start-ups** meeting the conditions set out in Article 22 of Commission Regulation (EU) No 651/2014 may receive aid for commercialisation support activities in the form of start-up aid through grants.

Start-up aid may be granted to unlisted small enterprises up to five years following their registration. For companies not subject to registration, the five-year eligibility period may be considered to start from the moment when the company either starts its economic activity or is liable to pay tax for its economic

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<sup>9</sup> The term “intangible assets” refers to assets that do not have a physical or financial embodiment such as patents, licences, know-how or other intellectual property; see Article 2(30) of Commission Regulation (EU) No 651/2014.



activity. A company being unlisted means that the company may not be officially quoted on a stock exchange. However, the company may be listed on an alternative trading platform.<sup>10</sup> In addition, for start-up aid to be granted, the company must fulfil all of the following conditions:

- it has not taken over the operations of another company
- it has not yet distributed profits
- it was not formed through a merger.

However, aid for start-ups may not be granted to companies active in the primary agricultural production sector.<sup>11</sup>

## **11.2 Funding from organisations other than the Swedish Energy Agency**

The Swedish Energy Agency's aid to companies often does not cover the full cost of the project activities for which the company is seeking aid. In such cases, the company must either cover the remaining cost itself, or find other private funding in the form of cash.

The part of your company's eligible costs not funded by the Swedish Energy Agency is called co-financing. Please note that no other actor than your company itself can co-finance your company's costs through so-called in-kind contributions. This is because the cost of an in-kind contribution carried out by another actor is not incurred by your company, but by the other actor. In other words, the cost of the other actor's in-kind contribution is not an eligible cost for your company.

Please also note that if an actor other than your company itself is to co-finance your company's costs, such co-financing may not be provided from public (state, regional or municipal) funds. This is because the total amount of public aid for the same eligible costs must not exceed the maximum aid intensities or amounts allowed under the applicable EU regulations.<sup>12</sup> Therefore, if your company has applied for, received or plans to apply for aid from another public funding body for the same costs for which you are applying for aid from the Swedish Energy Agency, you must notify the Agency of this. This is important so as to avoid your company being obliged to repay the aid that was granted.

If your company has applied for, received or plans to apply for aid managed directly by EU institutions without the involvement of Swedish authorities (e.g. programmes such as Horizon 2020 or Cosme), you must also notify the Agency when you apply for aid from us. This is important so as to avoid a potential repayment obligation, as the total amount of aid from EU institutions and the Swedish Energy Agency for the same eligible costs must not exceed the

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<sup>10</sup> See Article 2(76) of Commission Regulation (EU) No 651/2014. "Alternative trading platform", as defined in Article 2(81) means a "multilateral trading facility as defined in Article 4(1)(15) of Directive 2004/39/EC where the majority of the financial instruments admitted to trading are issued by SMEs". Note that Directive 2004/39/EC has been repealed by Directive 2014/65/EU. References to Directive 2004/39/EC shall be construed as references to Directive 2014/65/EU or to Regulation (EU) No 600/2014 in accordance with Article 94 of Directive 2014/65/EU.

<sup>11</sup> See Article 1(3)(b) of Commission Regulation (EU) No 651/2014.

<sup>12</sup> See Article 8(3) of Commission Regulation (EU) No 651/2014.

maximum aid intensities or amounts allowed under the applicable EU regulations.<sup>13</sup>

Please note that the Swedish Energy Agency may require higher levels of other funding for beneficiary companies' costs than those required by Commission Regulation (EU) No 651/2014. The Agency may also require other funding from actors engaged in non-economic activities to which the Agency grants aid in accordance with the Swedish Energy Agency's appropriation directions (such as universities, colleges, municipalities and research institutes, to the extent that the work is performed within the non-economic activities).

If a beneficiary has received other state aid, such as other state, regional or municipal aid, this aid must be marked as public funding in the application form.

### **11.3 International activities**

The Swedish Energy Agency is restrictive in granting research funding to actors who do not have operations in Sweden. This can be done in exceptional cases if all of the following criteria are met:

- It can be demonstrated that the actors with no operations in Sweden have a unique competence that is not available from actors in Sweden.
- The project is essential to achieving the objectives of the programme.
- A clear transfer of knowledge to actors in Sweden can take place.

The Swedish Energy Agency may deny funding to actors who have no operations in Sweden, even if all of the above criteria are considered to be met.

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<sup>13</sup> See Article 8(3) of Commission Regulation (EU) No 651/2014.

## 12 Annex 2 – Conditions for approved projects

The conditions that apply to approved projects will be set out in the aid decision of the Swedish Energy Agency. A description of the conditions is given below.

### 12.1 Definitions

In these conditions, *beneficiary* is defined as the organisation(s) that, according to the decision of the Swedish Energy Agency, receives aid from the Swedish Energy Agency.

In the case of projects with multiple participating organisations, *project partner* refers to the organisations participating in the project (but not to organisations carrying out consultancy work on behalf of the beneficiary).

In the case of projects with multiple project partners, *coordinator* refers to the project partner who coordinates the project, receives the aid from the Swedish Energy Agency and passes on the aid to the other beneficiaries participating in the project in accordance with the Agency's decision.

### 12.2 § 1 General

The aid is granted to finance the implementation of the project specified in the Swedish Energy Agency's decision on aid.

Beneficiaries are entitled to the granted funds only if the Agency receives the necessary funds from the Government.

The beneficiary must finance the part of the costs not covered by the aid from the Agency from its own resources or from another source of funding. The beneficiary is responsible for funding any cost increases that occur during the project period.

All presentations of the project must state that the work was carried out with funding from the Swedish Energy Agency.

### 12.3 § 2 Coordinator's obligations in the case of projects with multiple project partners

In the case of projects with multiple project partners, the coordinator has the following obligations, in addition to those applicable to all beneficiaries. The coordinator shall

- be authorised to represent the other beneficiaries of the project in relation to the Swedish Energy Agency
- receive the Agency's disbursement of aid

- transfer the Agency's aid to other beneficiaries in accordance with the Agency's decision on aid
- at the request of the Agency, provide evidence of the distribution of each disbursement between the different beneficiaries
- forward without delay to the other beneficiaries the decisions of the Agency, amending decisions and other information from the Agency relevant to the beneficiaries
- report during the project period in accordance with the decisions and instructions of the Agency pursuant to § 7
- ensure that the Agency is immediately informed if circumstances as specified in § 8 arise
- apply for amendments to the project in accordance with § 8.

## **12.4 § 3 Eligible costs**

### **3.1 General requirements**

Eligible costs are the costs on which the aid from the Swedish Energy Agency is calculated. Which costs are eligible in a project and what proportion of these costs the beneficiary can receive aid for depends on what grounds the Agency used as the basis for its decision on aid. The grounds are stated in the Agency's decision.

For a cost to be eligible, the following general requirements apply:

- The cost must be reasonable.
- The cost must have been incurred in implementing the project.
- The cost must be actual and auditable, i.e. it must be reflected in the beneficiary's accounts. For example, a beneficiary cannot receive aid for unpaid work. Nor can the cost be estimated.
- The cost must be borne by the beneficiary, which means that a beneficiary may only charge its own booked costs.
- The cost must be determined in accordance with good accounting practice.
- The cost must have been incurred in the project and during the project period indicated in the decision. Costs incurred before or after the project period specified in the decision are not eligible.

In the beneficiary's accounts, the project costs must be reported in such a way that they can be distinguished from the beneficiary's other transactions.

### **3.2 Specifics on wage costs**

Direct personnel costs (gross wage and non-wage labour costs) shall be reported as wage costs to the extent that these persons work in the project. Non-wage labour costs refer to statutory social security contributions, compulsory pension contributions, compulsory insurance and contributions, and holiday pay. The wage cost shall be auditable. Time sheets shall be available upon request by the Agency.

- *Beneficiaries that are universities and colleges* may receive aid for direct wage costs according to the full cost principle they apply.
- For *other beneficiaries* (other than universities and colleges), the total eligible wage costs may amount to an average cost of maximum SEK 800/hour. In accordance with the general requirements under 3.1, the cost must be actual, i.e. it may *not* be a flat rate. This means that if the actual wage costs are higher than SEK 800/hour, a maximum of SEK 800/hour is eligible. Conversely, if the actual costs are less than SEK 800/hour, the lower, actual costs must be applied. Average cost means that if a beneficiary has multiple people with different wage levels working on the project, the average wage cost must not exceed SEK 800/hour to be eligible. The calculation must be based on the total actual wage costs divided by the total number of hours spent on the project. If the result of the calculation exceeds SEK 800/hour, the wage costs must be reduced when reporting to the Agency.

### **3.3 Specifics on indirect costs**

Indirect costs are general overheads that are not incurred as a direct result of the project during the project period. This includes, for example, wages and fees of personnel not specifically involved in the project (such as accounting or administrative staff not specific to the project), office supplies and IT systems.

- *Beneficiaries that are universities and colleges* may receive aid for indirect costs according to the full cost principle they apply.
- *Beneficiaries not engaged in economic activities* can receive aid for indirect costs up to a maximum of 30% of their eligible direct personnel costs (wage and non-wage labour costs). This also applies if a beneficiary is engaged in both economic and non-economic activities, provided that the project is carried out in the non-economic activity, and the beneficiary clearly distinguishes its non-economic activity, its costs and its funding from its economic activity.
- *Beneficiaries that are companies* (beneficiaries engaged in economic activity) may not receive aid for indirect costs. This also applies if a beneficiary is engaged in both economic and non-economic activities, assuming that the project is carried out in the economic activity.

### **3.4 Specifics on consultancy costs**

Remuneration to persons not employed by a beneficiary shall be reported as purchased services (consultancy costs). Purchased services shall be paid at market rates. A project partner within the project may not be a subcontractor to another project partner.

## **12.5 § 4 Grant disbursement**

The disbursement plan is set out in the decision on aid. Grant disbursement is carried out without prior requisition, unless otherwise stated in the decision. The grant covers VAT only where this is incurred as a net cost by the beneficiary.

The beneficiary must submit supporting documents for the reported costs if the Swedish Energy Agency so requests. The Agency has the right to withhold disbursement of the aid if the beneficiary has not used up at least 90 percent of the funds previously disbursed in the same project.

#### **12.6 § 5 Employment relationship**

The Swedish Energy Agency is not the employer or client of the beneficiary or any other person engaged by the beneficiary for the project. The Agency therefore does not make deductions for taxes, social security contributions, etc.

#### **12.7 § 6 Obligation to notify regarding funding**

The beneficiary must immediately notify the Swedish Energy Agency if it applies for or receives funding for the project from a source other than the Agency. This also applies to other changes in the funding of the project compared to what is stated in the Agency's decision on aid.

#### **12.8 § 7 Reporting and follow-up**

Reporting and follow-up must be carried out in accordance with the Swedish Energy Agency's instructions and the decision on aid.

#### **12.9 § 8 Changes to the project**

The beneficiary must apply in advance and in writing to the Swedish Energy Agency for permission to make changes to the implementation and cost plan set out in the Agency's decision on aid. This applies, for example, to a change of project leader, a change of beneficiary, a change in the project period, a change in implementation or a deferral of reporting to the Agency. Offsets of up to a maximum of ten (10) percent are accepted between the cost types in the cost plan set out in the Agency's decision on aid. The beneficiary must apply to the Agency for changes exceeding ten (10) percent if the amount is greater than SEK 50,000.

The beneficiary shall immediately notify the Agency in writing if the project is cancelled or delayed, if the beneficiary become insolvent, or if any other circumstance of material importance occurs. The beneficiary shall also immediately notify the Agency of any change of name or address.

#### **12.10 § 9 Amendment of the decision**

Amendments or additions to the Swedish Energy Agency's decision on aid shall be made in writing by the Agency in order to be valid.

#### **12.11 § 10 Right to results**

The beneficiary or the holder of the rights to the results has the right to use the project results generated by the project. The project results may be transferred or assigned to another party. However, a beneficiary may not transfer or assign project results, or otherwise take any action, that involves indirect state aid.

**12.12 § 11 Right to audit**

The Swedish Energy Agency or another party appointed by the Agency (e.g. a chartered accountant) has the right to monitor the work and to inspect documents containing information on, for example, the technical and economic development of a project. In order to enable auditing, the Agency has the right to issue specific instructions for accounting.

The Agency has the right to follow up on the completed project by requesting a follow-up report to be drawn up and submitted in accordance with the Agency's instructions. Such a report may be requested on three occasions within a ten-year period from the date of project completion.

**12.13 § 12 Repayment of unused funds**

Granted and disbursed funds that have not been used by the beneficiary shall be repaid to the Swedish Energy Agency. After submission of the final financial report, the Agency will indicate whether there is an obligation to repay and at what amount.

**12.14 § 13 Sanctions**

The Swedish Energy Agency may decide that granted aid shall not be paid in whole or in part if

- 1 the applicant caused the funds to be awarded unduly or at an excessive level by providing incorrect information or in some other way;
- 2 the aid was awarded unduly or at an excessive level for some other reason, and the recipient should have realised this; or
- 3 the conditions of the aid have not been complied with.

The beneficiary is liable to repay the aid if any of the grounds referred to in points 1 to 3 above apply. The Agency may then recover all or part of the aid, together with interest in accordance with the Interest Act (1975:635).

In the event that the aid from the Agency constitutes unlawful state aid, the beneficiary is obliged to repay the aid if repayment may not be withheld under EU law. This is stated in Section 3 of the Act (2013:388) on the application of European Union state aid regulations. In accordance with the same Act, the Swedish Energy Agency may then recover all or part of the aid plus interest from the date of disbursement.

The Agency may suspend disbursement of aid if it is considering, but has not yet decided on, sanctions. The Agency may also choose not to disburse aid if sanctions are being investigated against the same beneficiary in another project funded by the Agency.

### **12.15 Permission to make information available**

The Swedish Energy Agency makes available information about projects it funds on the Agency's website ([www.energimyndigheten.se](http://www.energimyndigheten.se)). There, the public can search for information on ongoing and completed research projects using various keywords, such as research subject, research organisation, project title and project manager. The beneficiary is responsible for ensuring that any copyright holder has consented to making the information available and must ensure that the copyright holder has the right to give consent in each individual case. The decision of the Swedish Energy Agency to grant funding is accompanied by a consent form for making information available. By signing the document, the authorised representative of the beneficiary consents/does not consent to information that is not classified as confidential under the Public Access to Information and Secrecy Act (2009:400) and that appears in the project being made available to the public.

### **12.16 Consent to personal data processing**

The Swedish Energy Agency makes available information about projects it funds on the Agency's website ([www.energimyndigheten.se](http://www.energimyndigheten.se)). The decision of the Swedish Energy Agency to grant funding is accompanied by a consent form for personal data processing. By signing the document, the project manager consents/does not consent to their personal data being processed by the Swedish Energy Agency for the purpose of making them available to the public on the Agency's website. More information about how the Agency processes personal data is available on the Agency's website ([www.energimyndigheten.se](http://www.energimyndigheten.se)).

### **12.17 Public document and confidentiality**

In principle, all post and emails to the Swedish Energy Agency become public documents. This means, among other things, that the public and the media have the right to request access to the content. Correspondence and decisions sent by the Agency are also public documents. The right to access public documents that are in the public domain is part of the principle of public access to official documents.

However, the Agency may not disclose information that is classified as confidential under the Public Access to Information and Secrecy Act. This means that a document or certain information in a document may be protected by confidentiality. A confidentiality assessment is therefore carried out before a document is released in each individual case.

Confidentiality applies, for example, to information about an individual's business or operating conditions, inventions or research results if it can be assumed that the individual will suffer harm if the information is disclosed.