

Translation of the Program document – The original version applies.

First Incubator Programm zur Förderung von Entrepreneurship 2024-2026

according to point 3 of the guideline for Austria Wirtschaftsservice Gesellschaft mbH for the promotion of technology and innovation 2024-2026 (AWS T&I Guideline 2024-2026)

of the Federal Minister of Labor and Economics
in agreement with the Federal Minister of Finance

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1 Introduction

1.1 Initial situation and motive

The German government has set itself the goal of increasing the number of knowledge-intensive start-ups. In order to achieve this goal, openness to entrepreneurship as a career option must be created and the entrepreneurial spirit must be strengthened. Support programs for entrepreneurship are therefore becoming increasingly important economically, socially and politically. Teaching the economic, legal and social skills necessary for sustainable success plays an essential role here.

As a further development of the "Jugend Innovativ" school competition, the "AWS First" concept was created in 2013 to anchor entrepreneurial thinking in the minds of young people and ensure comprehensive entrepreneurship education. The pilot phase of AWS First was funded by the Austrian National Foundation for Research, Technology and Development. Building on the extensive positive experiences, the program will be continued as First Incubator. The program is open to all sectors and to submissions from all over Austria. A special focus is placed on the ambitious goal of reaching more women as potential founders and thematically addressing proposed solutions for socio-political challenges.

First Incubator combines the transfer of essential know-how (on economic and legal topics, for example) and the strengthening of soft skills with monetary support, whereby the main focus is on the transfer of start-up know-how.

In addition, a lively exchange of knowledge with founders from different sectors and mutual learning from one another is actively facilitated. This peer-to-peer approach means that the funding recipients can pursue a common goal, exchange ideas, contribute new perspectives to the projects of other participants and provide each other with mutual support. This is accompanied by mentoring from experts and experienced founders who provide the appropriate specialist input.

The program aims to sustainably strengthen the entrepreneurial spirit in Austria and offer people with innovative business ideas the opportunity to develop their projects in a protected environment and receive the best possible support in terms of both start-up know-how and financial support (incubation). AWS's comprehensive, needs-oriented support and advisory measures make a significant contribution to achieving the program's objectives. In addition to targeted start-up and growth consulting as well as innovation protection consulting, coaching, topic-specific training, professionalization measures and network-building measures are carried out.

1.2 Strategic objectives of the funding program

First Incubator particularly addresses the following fields of action of the Federal Government's RTI Strategy 2030:

- **Goal 1, field of action 3: Promote and strategically align internationalization**
 - Increase and visibility of Austria as a location for research and innovation and corresponding positioning of the external image.
- **Goal 2, field of action 2: Support applied research and its impact on the economy and society**
 - Strengthening the RTI foundation by founding and attracting innovative companies and expanding Austria as a production location (digital transformation of the economy, positioning Austria as a digitalization and "Tech for Green" champion and life science center);
 - Advice for small and medium-sized enterprises (SMEs);
 - Improving the innovative capacity and output of small and medium-sized enterprises;
 - Strengthen R&D in the area of digitalization, in particular to contribute to the development of new digital products and services and to support the digital transformation of the economy.
- **Goal 3, field of action 1: Develop and promote human resources**
 - Consideration of creativity, critical research spirit and environmental awareness;
 - Ensuring permeability between educational institutions and companies;
 - Strengthening equality and diversity in R & D.
- **Objective 3, field of action 2: Support international perspectives of researchers and students**
 - Increase the visibility of the research location and create attractive framework conditions to attract international talent.

1.3 Operational objectives of the funding program

The general objective is to support people with innovative ideas and start-up ambitions in implementing their business ideas through innovation consulting (professional coaching combined with program-specific incubator services) and financial support.

The First Incubator Program contributes in particular to the following operational objectives of the AWS T&I Guideline 2024-2026:

1	Promotion of technology and knowledge-intensive start-ups: the combination of financial grants and advisory services provides funding recipients with essential know-how and financing at a very early stage, when projects are rarely supported by external funding.
3	Professionalization of companies in innovation protection: Specific consulting services on intellectual property make it possible to examine all aspects of innovation protection in the early stages of a company and to ensure customized innovation and competition protection for the project.

4	Increasing entrepreneurial innovation to solve social challenges: innovative, high-impact projects often develop solutions for social challenges in areas such as health, demographic change, environmental and climate protection or education. ¹
5	Equality between women and men: The participation of women in the founding teams and in the selection and decision-making processes should be increased.

1.4 Indicators

The measures based on this program document contribute to the following general T&I indicators in accordance with point 1.2.4 of the AWS T&I Guideline 2024-2026:

1a	Number of highly innovative pre-start-up projects
1b	Number of young, innovative SMEs supported
1c	Proportion of funded start-ups that are successful in the long term
3a	Number of projects with innovation protection advice
3b	Number of funded projects that have applied for IP rights within the project term
4a	Share of projects that contribute to achieving the SDGs, in particular the climate and environmental goals
4b	Share of digitization-related projects
5a	Proportion of women in evaluation committees
5b	Proportion of projects with women in the management team

1.5 Object of funding

Funding is provided for the incubation of innovative business ideas from the idea phase to the start-up phase.

1.5.1 Module A

Module A supports pre-competitive entrepreneurial pre-start-up projects. All funding measures serve to introduce economic activities, such as the development of a viable business model or the development of initial prototypes.

¹ The assessment of whether projects that are harmful to the climate and the environment are worthy of exclusion is carried out in accordance with the Commission notice "Technical guidance on the application of the 'do no significant harm' principle under the Regulation establishing a Recovery and Resilience Facility"; C(2021) 1054; <https://eur-lex.europa.eu/legal-content/DE/TXT/?uri=CELEX%3A52021XC0218%2801%29>. The project level is decisive for the assessment.

1.5.2 Module B

Module B supports entrepreneurial start-up projects that are brought to the first commercial implementation steps through the development of products and services as well as market-ready business models.

1.6 Differentiation from existing programs

In order to ensure comprehensive entrepreneurship education, the First Incubator programme, unlike privately organized incubators, does not focus on projects in specific subject areas or regions. In addition, the topic of entrepreneurship education is addressed nationwide and especially for women.

First Incubator can form the interface between school competitions such as Jugend Innovativ and startup funding measures such as Preseed | Seedfinancing.

As part of the First Incubator program, targeted knowledge transfer and individual consulting services tailored to the needs of each individual project are offered for early-stage business ideas. As an incubation program, First Incubator essentially distinguishes itself from the Preseed module in Preseed Seedfinancing through the provision of wide-ranging coaching, project-specific mentoring and a large number of workshops to further develop the content of the start-up ideas. In the Preseed modules, the focus is on financial support for the start-up projects, their actual implementation and scaling with accompanying advice.

While the AplusB centers focus on high-tech innovation projects and other university incubators exclusively address an academic target group, there is no such restriction at First Incubator. In addition, the First Incubator will increasingly support impact-oriented projects and projects in the field of social business.

The PreIncubation module of the AplusB Centers aims to obtain an analysis of the current status of a project and to identify key know-how deficits of those interested in founding a company and to point out possible solutions. In contrast, the First Incubator already takes concrete steps towards the further development of the project by providing financial support and building up the founders' know-how. First Incubator can therefore be completed as a follow-up program to AplusB PreIncubation.

A potential call for proposals for the First Incubator program specifically for the target group of international founders differs from the Global Incubator Network GIN - GO AUSTRIA Inbound Service program of the FFG in terms of the target group (projects in the pre-seed and founding phase for First Incubator vs. later stage start-ups with GIN), the geographical focus (international founders from all countries with First Incubator vs. Asian start-ups that want to expand to Austria with GIN) and the duration of the program (up to twelve months with First Incubator vs. up to four weeks with GIN).

1.7 Evaluation

This program document will be evaluated in accordance with the BHG 2013. This evaluation will be carried out by the end of the second quarter of 2028 using the indicators defined in 1.4. The corresponding baseline and target values are derived from the WFA (impact-oriented impact assessment).

For the purpose of evaluation, the AWS must ensure that appropriate passages on data collection are included in the grant applications and grant agreements. In addition, the form in which the funding recipients must participate in evaluations and the information required to assess the achievement of the specified indicators must be specified in the context of evaluations. This information can also be requested in defined AWS reports.

2 Legal basis

All legal bases cited in this program document are to be applied in the respective valid version, unless otherwise stated.

2.1 National legal bases

- Federal Act on the Promotion of Research and Technology Development (Research and Technology Promotion Act - FTFG), Federal Law Gazette No. 434/1982;
- AWS T&I Directive 2024-2026, which is to be applied on a subsidiary basis;
- Ordinance of the Federal Minister of Finance on General Framework Guidelines for the Granting of Subsidies from Federal Funds (ARR 2014), Federal Law Gazette II No. 208/2014, last amended by Federal Law Gazette II No. 190/2018, as amended on 26.07.2018, which is to be applied subsidiarily.

A subjective legal claim to the granting of a subsidy or an obligation to enter into a contract is not established in terms of reason or amount.

2.2 Principles of European law

The following regulations apply:

- Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, OJ L, 2023/2831, 15.12.2023 (in short: De Minimis Regulation);
- Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union, OJ L 187 of 26.06.2014, as last amended by Regulation (EU) 2023/1315 of 23 June 2023, OJ L 167 of 30.06.2023 (General Block Exemption Regulation, abbreviated to GBER), in particular Art. 18, Art. 22 and Art. 28;

- Definition of small and medium-sized enterprises Commission Recommendation 2003/361/EC of May 6, 2003, OJ L 124 of May 20, 2003, p. 36-41.²

3 Funding applicants, funding type, amount and intensity

3.1 Formal and material requirements of the applicants for funding

3.1.1 General requirements

The following requirements must be met for both modules:

- Pursuant to Section 2 ARR 2014 , only natural persons or legal entities or partnerships outside the federal administration may apply for funding.
- Companies that are subject to insolvency proceedings or for which the conditions provided for under national law for the opening of insolvency proceedings at the request of their creditors exist are excluded from funding.
- No insolvency proceedings may be pending against the applicants for funding or, in the case of the companies preparing the foundation, or against a managing partner, and no application for the opening of insolvency proceedings may have been rejected in the past two years for lack of assets to cover costs or no insolvency proceedings may have been terminated for lack of assets to cover costs.
- Civil law partnerships (GesbR), cooperatives, foundations and associations are not eligible to apply.
- Special application requirements (e.g. age of the target group, thematic focus of the projects, international founders) may vary depending on the focus of a call for participation in First Incubator. These will be announced by AWS on the AWS website.
- Projects that have already been submitted to the evaluation panel and subsequently rejected are excluded from further participation. In justified cases, the AWS may make a different arrangement on the recommendation of the evaluation panel.

3.1.2 First Incubator - Module A

The following also applies to the First Incubator - Module A:

² If reference is made in this program document to size classes of companies within the meaning of the EU definition of SMEs or autonomy, the actual data on the number of employees, turnover, balance sheet totals and shareholdings at the time the funding was granted or other points in time specified in the program document will be used.

- Only natural persons who have demonstrably neither been nor are economically active with the submitted project and have not yet founded a company are eligible for funding.
- A company can only be founded after completion of funding or transfer to First Incubator - Module B and approval from AWS. A planned permanent establishment or branch office must be opened in Austria and the majority of the value added must be generated in Austria.

3.1.3 First Incubator - Module B

The following also applies to the First Incubator - Module B:

- Only sole proprietors, partnerships and legal entities (only micro and small enterprises according to the EU definition of SMEs) are eligible for funding. The date of foundation must not be more than six months ago at the time of application and the net turnover must not have exceeded a maximum amount of EUR 10,000 from the date of foundation to the date of application.
- Switching from First Incubator - Module A to Module B is possible with a separate application. The application must be submitted to AWS at least one month before the planned changeover. Previous funding from First Incubator - Module A must have been properly implemented and the final proof of use must have been recognized by AWS before funding from First Incubator Module B is granted.
- It is not possible to switch from First Incubator - Module B to Module A.
- In accordance with Article 1(5)(a) GBER, the granting of aid must be made conditional on the beneficiaries having a permanent establishment or branch in Austria at the time of payment of the aid and generating the majority of their value added in Austria.
- According to Art. 1 para. 4 lit. a GBER, a company that has not complied with a recovery order based on an earlier decision of the European Commission to determine the inadmissibility of a subsidy and its incompatibility is excluded from participation until the company has completed the reversal of the incompatible subsidy.
- According to Art. 1(4)(c). GBER, no aid may be granted to undertakings in difficulty, with the exception of aid schemes to deal with the consequences of certain natural disasters, aid schemes for business start-ups and regional operating aid schemes, provided that these schemes do not favor undertakings in difficulty over other undertakings. By way of derogation, the GBER also applies to companies that were not companies in difficulty on December 31, 2019, but became companies in difficulty in the period from January 1, 2020 to December 31, 2021.

3.2 Type and amount of funding, funding intensity

The amount of funding depends on the eligibility for funding and the funding requirements of the project as documented by a budget.

Support in both modules is provided in the form of:

1. the granting of a subsidy in accordance with point 4.2 of the AWS T&I Guideline 2024-2026 of up to 90% of the eligible costs or a maximum of EUR 49,000.

Gender bonus: If, at the time the grant is awarded, the project includes (one or more) women who (will in future) own more than 25% of the shares, the grant awarded increases to up to 100% of the eligible costs or a maximum of EUR 55,000.

Proof of qualifications relevant to the project must be provided when claiming the gender bonus. Proof must also be provided of the acquisition of the relevant shares and the participation of the (future) female partners in a managerial role at the time of foundation or during the term of the project. This does not apply to absences due to periods of maternity leave or parental leave.

and

2. of innovation consulting services in accordance with point 4.2 of the AWS T&I Guideline 2024-2026:
 - a) for start-up and growth with a maximum lump-sum equivalent value of EUR 20,000;
 - b) for innovation protection with a flat-rate equivalent value of EUR 1,700.

These innovation consulting services represent non-monetary support. The applicants do not incur any costs from this title.

4 Costs

4.1 Eligible costs

Eligible costs are recognized in accordance with the provisions of point 5.1 of the AWS T&I Guideline 2024-2026, but in particular:

- **Personnel costs**

Personnel costs without proof of salary for both founders and employees, insofar as they are deployed for the respective project. A flat rate of EUR 25 per hour is used, which can be adjusted annually for inflation by the AWS and is published on the website.

- **Costs for instruments and equipment**

Costs for instruments and equipment, insofar and as long as they are used for the project. If the amortization period of an item purchased for the performance of the service exceeds the

period of the service, the maximum share of costs that may be funded is that which corresponds to the depreciation under the Income Tax Act 1988 for the performance period.

- **Travel expenses**

Travel expenses incurred in connection with the development of the project are eligible for funding if and to the extent that they can be claimed as operating expenses in accordance with the provisions of the Income Tax Act 1988.

- **Costs associated with setting up, founding and growing a company**

When applying Art. 22 of the GBER or the de minimis Regulation, in addition to the above-mentioned types of costs, all costs incurred in the context of setting up, founding and growing a company are also eligible for funding. These may include concept and study costs, fees for external experts, operating resources, market development costs, costs for industrial design, training costs, costs for property rights (e.g. patent costs, trademarks, designs or utility models, licensing rights).

The amounts of the individual eligible cost categories may vary and are published on the AWS website.

4.2 Non-eligible costs

In particular, the following are not eligible for funding

- Costs incurred before the application date or the contractually agreed start of the project;
- Costs that are not directly incurred for the duration of the funded project;
- Costs that are not an essential prerequisite for successful project completion and target achievement;
- Costs that do not qualify as eligible costs under EU competition law;
- Costs that are covered by other subsidies;
- Invoice vouchers under EUR 50 excl. VAT, whereby similar recurring payments to the same suppliers can be combined within one year to exceed the amount;
- Formation of reserves, provisions and the like;
- Value added tax: The value added tax on the costs of the eligible service is not eligible for funding. However, if it can be proven that this VAT is actually and definitively borne by the funding recipients, i.e. there is no entitlement to deduct input tax, it will be taken into account as an eligible cost component. The VAT that can be reclaimed - in whatever way - is not eligible for funding even if the funding recipients do not actually receive it back. If a grant is not regarded as a grant by the tax office due to the existence of a taxable and taxable service provided by the grant recipient to the federal minister responsible for the directive in accordance with the Value Added Tax Act 1994, Federal Law Gazette No. 663, but as contract remuneration and the grant recipient has to pay value added tax to the tax

office for this, provision must be made for this contract remuneration to be regarded as gross remuneration. An additional, separate payment of VAT - for whatever legal reason - is therefore excluded;

- Overhead costs;
- Purchase of real estate or vehicles, construction of buildings;
- Unspecific building equipment;
- Expenses for private pension provision;
- Voluntary social benefits and other voluntary contributions.

Details of eligible and non-eligible costs and invoicing are determined by AWS and published on the AWS website.

5 Procedure for granting funding

5.1 Submission of the funding application

The funding application must be submitted via an AWS electronic application within the deadline specified in the call for funding applications, if applicable. Each funding application submitted must contain a declaration by the applicant that the information provided is correct and complete.

The funding application must contain at least

- Name of the funding applicant and the person applying on behalf of the funding applicant, including contact details,
- in the case of companies applying for funding, also the company register number and information on the size of the company and, if applicable, all necessary documents to determine SME status³,
- Description of the project with details of the start and completion dates;
- Location of the project,
- a performance, cost, time and financing plan corresponding to the nature of the service and all other documents relating to the subsidized service,
- Supplement on other funding relevant to the project in accordance with point 7.1.1 of the AWS T&I Guideline 2024-2026,

³ SME definition according to Annex I of the GBER: An enterprise is any entity, irrespective of its legal form, which carries out an economic activity. In particular, this also includes those entities that carry out a craft activity or other activities as a one-person or family business, as well as partnerships or associations that regularly pursue an economic activity.

- Amount of funding required for the project.

Furthermore, the funding application must contain a declaration that

- proper management can be assumed,
- proper implementation of the funded project can be expected, in particular on the basis of the existing technical, economic and organizational requirements,
- there is no legal reason for exclusion and
- there are no other grounds for exclusion.

This application must be accompanied by a project concept (project description or business concept) containing key aspects such as a description of the product or process including unique selling points and an investment plan for the maximum grant to be received. Plans and assumptions for the future must be identified as such and prepared to the best of our knowledge using adequate sources.

An application video must also be submitted. The video content to be produced will be communicated by AWS at the start of the tendering process.

The AWS will request the additional funding relevant to the project by means of a self-declaration by the applicant when submitting the application and the final proof of use.

5.2 Evaluation and decision criteria

The following evaluation criteria in particular are used to assess the applications:

- Innovation potential of the project: In this sense, innovation means anything new, even outside of high technology; however, a combination of things/features etc. that do not yet exist on the market in this form can also be new;
- Market potential of the project: From the customer's point of view, the idea offers a benefit/advantage that sets it apart from the competition;
- Business potential of the project: The business model is well thought out and promises economic potential that can be developed into a profitable business model in the program;
- Feasibility of the project: The idea/project is feasible in principle or the feasibility of the project can be worked out during the program;
- Entrepreneurial potential of the funding applicants: The key skills and competencies for implementation are available and there is a clear distribution of roles;
- Socio-political relevance: Projects with women in key management positions and projects that address socio-political challenges receive additional points.

The detailed criteria and their weighting are published on the AWS website.

5.3 Selection procedure, evaluation panel and decision

5.3.1 Selection procedure

For the evaluation and selection procedure as well as the review and evaluation steps, the principles set out in point 6.3 of the AWS T&I Guideline 2024-2026 apply.

The AWS first checks the formal correctness and completeness of the application documents. If formal requirements are not met, the application will be excluded from further processing and the applicants will receive a written notification.

If the formal criteria of the funding application are met, the funding application is submitted to an evaluation panel for assessment. In the event of a positive assessment, the evaluation panel will make a funding recommendation; in the event of a negative assessment, the evaluation panel will provide a written justification. Details of the selection procedure are published on the AWS website.

5.3.2 Funding decision

The results of the selection procedure are funding recommendations to the AWS, which makes the funding decision on this basis in the name and on behalf of the federal government in accordance with point 6.5 of the AWS T&I Guideline 2024-2026. Any deviations from the result of the selection procedure must be justified. Decisions on funding applications are communicated by the AWS to the funding applicants and reasons are given for rejections.

The federal minister responsible for the directive must be informed of the outcome of the selection procedure and has a right to information and a right to inspect the application and examination documents.

5.3.3 Evaluation committees

The principles set out in point 6.3 of the AWS T&I Guideline 2024-2026 apply to the appointment and composition of the evaluation committees.

The following are decisive for the appointment of a member:

- Professional expertise
- Target group knowledge
- Market knowledge
- Cross-cutting aspects (e.g. environment / gender)

The federal minister responsible for the guidelines must be informed of the composition of the evaluation committees and has the right to participate in the evaluation committees without the right to vote. If necessary, other persons may participate in meetings of the evaluation bodies as observers.

The meetings of the evaluation committees take place at regular intervals.

5.3.4 Rules of procedure

The AWS draws up rules of procedure in accordance with point 6.3 of the AWS T&I Guideline 2024-2026, which regulate the following points:

- Tasks
- Voting authorization
- Regulation for absence in case of prevention
- Resolution
- Obligation to maintain confidentiality or report/document bias
- Quorum
- Independence
- Compensation for the assessment
- Liability
- Data protection

The rules of procedure to be issued by the AWS as well as any significant changes must be brought to the attention of the Federal Minister responsible for directives without delay.

5.4 Processing the funding

5.4.1 Funding agreement

If funding is granted, the AWS must send the funding applicants a time-limited funding offer. If the funding applicants accept the funding offer, including any requirements and conditions, within the specified period, the funding agreement is concluded.

The funding agreement must contain all the terms and conditions associated with the funding.

5.4.2 Minimum provisions for the design of the funding agreement

1. Title of the legal basis,
2. Name of the funding recipients, including data to ensure identification (e.g. date of birth, company register number, etc.),
3. Start and duration of funding,
4. Type and amount of funding,
5. Precise description of the funded project (object of funding),
6. eligible and non-eligible costs,

7. Reporting obligations,
8. Payment conditions,
9. Monitoring and participation in the evaluation,
10. Provisions on the discontinuation and repayment of the grant (see point 6.3),
11. special funding conditions that correspond to the nature of the project to be funded and also ensure that federal funds are only used to the extent absolutely necessary to achieve the desired result,
12. Exclusion of liability according to point 7,
13. other contractual provisions to be agreed.

5.4.3 Further provisions of the funding agreement

The funding agreement must also contain provisions according to which the funding applicants must in particular

1. commence performance of the service in accordance with the agreed schedule, otherwise immediately after the grant has been awarded, perform the service swiftly and complete it within the agreed period, otherwise within a reasonable period;
2. notify AWS immediately and on their own initiative of all events that delay or make impossible the performance of the subsidized service or would require a change to the funding application or agreed terms and conditions, and comply with their notification obligations without delay;
3. allow federal and European Union bodies or representatives to inspect their books and receipts and other documents used to verify the performance of the service at their own premises or those of third parties and to inspect them on site or to present them to them at their request, to provide them with the necessary information or have it provided and to provide a suitable person to provide information for this purpose, whereby the auditing body shall decide on the respective connection of these documents with the service;
4. keep all books and receipts as well as other documents referred to in no. 3 for ten years from the end of the year in which the entire grant was paid out, but at least from the date on which the service was provided; if EU state aid law stipulates longer periods, these shall apply;
5. may in principle also use suitable image and data carriers for storage if the complete, orderly, identical, faithful and verifiable reproduction is guaranteed at all times until the expiry of the storage period; in this case, the applicants shall be obliged to provide at their own expense all aids necessary to make the books, vouchers and other documents legible and, if necessary, to provide legible permanent reproductions without aids and, if permanent reproductions are produced, to make them available on data carriers;

6. when awarding contracts for supplies and services, without prejudice to the provisions of the Federal Procurement Act 2018 (BVerG 2018), Federal Law Gazette I No. 65, demonstrably obtain several offers for comparison purposes, insofar as this is expedient with regard to the amount of the estimated contract value; any more detailed provisions shall be laid down in the funding agreement;
7. Use federal funding in accordance with the principles of economy, efficiency and expediency;
8. do not use federal funding to form reserves or provisions in accordance with the Income Tax Act 1988 (EStG 1988), Federal Law Gazette No. 400, or the Business Code, Federal Law Gazette S 219/1897;
9. report on the implementation of the service by submitting a proof of use in accordance with point 6.2 within deadlines to be agreed;
10. may not dispose of the claim arising from a grant by assignment, instruction or pledge or in any other way;
11. assume the repayment obligations in accordance with point 6.3;
12. provide adequate security in relation to the funding purpose for any repayment and compensation obligations (sections 25 and 30 ARR);
13. observe the Equal Treatment Act, Federal Law Gazette I No. 66/2004, insofar as it concerns the promotion of a company, and take into account the Federal Disability Equality Act, Federal Law Gazette I No. 82/2005, as well as the prohibition of discrimination pursuant to § 7b of the Disability Employment Act (BEinstG), Federal Law Gazette No. 22/1970;
14. must provide AWS with information on the results achieved with the funding and their utilization for the purpose of evaluation; this obligation may extend for up to 3 years after the end of the actual term of the funding agreement;
15. must make appropriate reference to the funding from federal funds under the First Incubator funding program in all information and communication measures relating to the funding project up to and after completion of the funding project.

5.5 Determination of the project duration

Projects must begin in accordance with the agreed timetable, otherwise immediately after the grant is awarded, and must be implemented swiftly and - unless otherwise agreed in the grant agreement - completed within a maximum of 2 years (starting from the date of the grant agreement). It is only possible to exceed the project duration if an application for an extension has been submitted to the AWS and the AWS determines that the approved funding purpose will be maintained. This allows a cost-neutral extension of the project duration by a maximum of six months. Other extensions require a separate application for funding.

5.6 Contract amendments during the term of the project

AWS is entitled to demand new or additional conditions and requirements to achieve the purpose of the grant if special circumstances subsequently require a change to the agreed contractual provisions (in particular conditions and requirements). A corresponding supplementary agreement will be concluded with the funding recipients. If no such supplementary agreement can be reached, this shall constitute grounds for discontinuation and repayment, applying Section 6.3 mutatis mutandis.

The AWS may adjust the conditions of the funding agreements following a justified written request from the funding recipients, provided that the essential content of the project and the approved funding purpose are maintained and the objectives of the program continue to be met.

6 Control and payment

6.1 Cumulation and multiple funding

The AWS must be contacted before funding is granted:

- which grants from public funds, including EU funds, were awarded to the applicant for funding in the last three years prior to submission of the funding application for the same service (for the project), even if for different purposes, and
- which such grants they have applied for from another federal budgetary authority or another legal entity, including other regional authorities and the European Union, but for which a decision has not yet been made or for which they still intend to apply.

The survey must be carried out in particular by means of appropriate information from the funding applicants. The AWS must define appropriate and effective methods for checking the information provided by the applicants in advance (e.g. regular coordination with relevant funding institutions or, in the event of suspicion, involvement of employees of other funding institutions, etc.), which are suitable for avoiding undesirable multiple funding. An automated query from the transparency portal must also be carried out.

Where Union funds that are centrally managed by the institutions, bodies, agencies, joint undertakings or other entities of the European Union and are not directly or indirectly under the control of Member States are combined with State aid, only State aid shall be taken into account for the purpose of determining whether the notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted for the same eligible costs does not exceed the most favorable funding rate laid down in the relevant provisions of Union law.

Aid based on the AWS T&I Guideline 2024-2026, for which the eligible costs can be determined, can be cumulated with

- other state aid, provided that these measures relate to different identifiable eligible costs;
- other State aid for the same partially or fully overlapping eligible costs; however, only if this cumulation does not exceed the maximum aid intensity or the maximum aid amount applicable to this aid under the GBER.

Aid on the basis of this program document may not be cumulated with de minimis aid for the same eligible costs if this cumulation exceeds the maximum aid intensities laid down in point 5.2. of the AWS T&I Guidelines 2024-2026.

Aid for business start-ups under Art. 22 GBER for which the eligible costs cannot be determined may be cumulated with other State aid for which the eligible costs can be determined. Aid for which the eligible costs cannot be determined may be cumulated with other State aid for which the eligible costs cannot be determined, up to the relevant ceiling for the overall financing in the individual case laid down in this or another block exemption regulation or in a decision of the European Commission.

In particular, Union funds that are centrally managed by the European Commission and are not under the direct or indirect control of the Member State do not constitute State aid and should therefore not be taken into account when assessing compliance with the notification thresholds and funding ceilings under the GBER, provided that the total amount does not exceed the most favorable funding rate under relevant EU law (usually the ceilings set out in Horizon Europe).

For this reason, the AWS must notify other eligible funding institutions before granting funding if there is a suspicion of unauthorized multiple funding. Due to an effective risk-based control procedure for identifying suspected cases, AWS will use the existing database systems by coordinating with other funding institutions. If there is unauthorized multiple funding, no funding is to be granted.

However, funding may be granted if, in particular

- the funding application is amended in such a way or the funding agreement contains such requirements and conditions that the existence of unauthorized multiple funding can be ruled out,
- it can be assumed that the subsidized project has been properly implemented and accounted for, and
- the other eligibility requirements are met.

By the end of the funding project, the funding recipients must notify AWS of all funding applied for during the project period that is directly related to the funded project.

6.2 Monitoring the proper use of the funds funds

The funding recipients must provide evidence of the intended use of the funding in the form of reports and numerical evidence. In this regard, the funding recipients must submit an interim proof of use (if this appears appropriate due to the duration of the project) and a final proof of use at the times specified in the funding agreements. Templates for this are made available on the AWS website and must be used. In accordance with Section 7.2. of the AWS T&I Guideline 2024-2026, AWS reserves the right to pay out at least 10% of the funding amount only upon acceptance of the final proof of use.

The factual report must include, in particular, the use of the funding granted from federal, state and EU funds, the verifiable report on the implementation of the funded service and the results achieved by it.

The numerical evidence must include a verifiable breakdown of all income and expenditure associated with the funded project. The AWS reserves the right to either submit the receipts electronically or to inspect them at the funding recipients. AWS may use trustworthy third parties, such as chartered accountants or tax consultants, as well as automated methods to verify the numerical evidence.

The AWS must continuously monitor the deadlines for the submission of the proof of use and review the proof of use in a timely manner.

The AWS must define appropriate and effective risk-based control procedures in advance (e.g. coordination with funding bodies, sampling procedures, etc.) to ensure that misuse of funding and undesirable multiple funding is avoided.

Each project is checked by AWS as part of the final settlement. These checks include at least random checks of receipts and compliance with legal and contractual regulations. In the course of the final proof of use, the AWS will request a legally binding declaration that the services invoiced were not also funded in an inadmissible manner by any other funding body. The funding recipients must take note of the fact that the misuse of funding may have consequences under criminal law.

6.3 Discontinuation of funding and repayment obligations

The funding recipients are obliged - subject to the assertion of further legal claims, in particular also a repayment obligation pursuant to § 30b AuslBG - to repay the funding immediately on the basis of a justified decision and request by the AWS, the federal government or the European Union, whereby the claim to guaranteed and not yet disbursed funding expires if in particular

1. bodies or representatives of the Federal Government or the European Union have been incorrectly or incompletely informed of material circumstances by the funding recipients;

2. reports provided for by the funding recipients have not been submitted, evidence has not been provided or required information has not been provided, provided that in these cases a written reminder with an appropriate time limit and an express reference to the legal consequences of non-compliance has been unsuccessful, and other notifications provided for in this program document have been omitted;
3. the funding recipients do not immediately report events on their own initiative - in any case before an inspection or its announcement - that would delay or prevent the implementation of the funded project or require its modification;
4. the funding recipients obstruct or prevent the planned control measures or the entitlement to claim the funding can no longer be verified within the period of time provided for the retention of the documents;
5. the grant funds have been used by the grant recipients in whole or in part contrary to their intended purpose;
6. the service cannot be or has not been performed by the funding recipients or cannot be or has not been performed on time;
7. the prohibition of assignment, transfer, pledging and other disposal in accordance with point 5.4.3 Z 10 was not complied with by the funding recipients;
8. the provisions of the Equal Treatment Act were not observed by the funding recipients;
9. the Federal Disability Equality Act or the prohibition of discrimination pursuant to § 7b BEinstG is not taken into account;
10. publicity measures incumbent on the funding recipients pursuant to Section 31 ARR 2014 are not carried out;
11. suspension and/or recovery is requested by the institutions of the European Union, or
12. other eligibility requirements, conditions or obligations, in particular those intended to ensure that the purpose of the funding is achieved, have not been met by the funding recipients.

Instead of the aforementioned full repayment, a merely partial suspension or repayment of the grant may be provided for in individual cases if

1. the obligations assumed by the funding recipients are divisible and the partial service performed is worthy of funding in its own right,
2. there is no fault on the part of the funding recipients for the reason for recovery and
3. it is still reasonable for AWS to maintain the subsidy agreement.

Interest on the repayment amount must be agreed at 4% per annum from the date of payment of the grant using the compound interest method. If this interest rate is lower than the interest rate set by the European Union for reclaims, the interest rate set by the European Union shall be applied. Interest on arrears must be agreed in the event of a delay in the repayment of the

grant. In the event of default by companies, this shall be set at 9.2 percentage points above the applicable base interest rate per year from the date of default, otherwise at 4 percentage points above the applicable base interest rate, but at least 4%. The base interest rate applicable on the first calendar day of a half-year shall be decisive for the respective half-year.

6.4 Payout

Funding may only be disbursed to the extent that and no earlier than it is required to make payments due by the funding recipients for the funded project in accordance with the purpose of the funding, and may only be disbursed to the funding recipients.

The funding is paid out in installments and subject to the proviso that a further installment is only paid out once an interim proof of use has been provided for the installment already paid out, whereby the payment of at least 10% of the total guaranteed funding amount is generally only to be reserved after the final proof of use has been accepted.

The availability of the necessary federal funds must also be taken into account when determining the payment dates.

If compatible with the nature of the grant, it must also be stipulated that payment of the grant can be postponed if and for as long as circumstances exist that make it appear that the proper performance of the service cannot be guaranteed.

After proper implementation and settlement of the subsidized project, any unused subsidy funds must be reclaimed immediately, subject to interest at a rate of 2 percentage points above the applicable prime rate per year from the date of disbursement of the subsidy.

Funding recipients must be required to provide notification by the end of the funding project, which also includes funding directly related to the funded project for which they subsequently apply.

6.5 Data protection

6.5.1 General regulations on data protection

Funding applicants acknowledge that the federal minister responsible for the guidelines and the AWS as joint controllers are entitled to process the personal data arising in connection with the initiation and execution of the contract if this is necessary for the conclusion and execution of the funding contract, for control purposes and for the performance of legally assigned tasks.

The applicants for funding also acknowledge that the Federal Minister responsible for the guidelines and the AWS, as joint controllers, are entitled to collect the personal data required for the assessment of the existence of the eligibility requirements and for the verification of the proof of use in addition to the information provided by themselves by making enquiries with the other relevant federal bodies or with another legal entity, which awards or processes the relevant funding, or from other third parties, and to transmit this data to them, whereby

they in turn are entitled to process the personal data required for the request and to provide information. Furthermore, transparency portal queries are possible in accordance with § 32 Para. 5 TDBG 2012.

Funding applicants are obliged to ensure that the disclosure of data of natural persons to the federal minister responsible for the guidelines and/or the AWS is carried out in accordance with the provisions of the GDPR.

Furthermore, applicants for funding are informed that personal data must be transmitted or disclosed in particular to bodies and representatives of the Austrian Court of Audit (in particular pursuant to § 3 para. 2, § 4 para. 1 and § 13 para. 3 of the Austrian Court of Audit Act 1948, Federal Law Gazette No. 144), the Federal Ministry of Finance (in particular pursuant to §§ 57 to 61 and 47 of the Federal Act on the Management of the Federal Budget 2013, Federal Law Gazette I No. 139/2009, and § 14 ARR) and the European Union in accordance with the provisions of EU law.

AWS must obtain a declaration of consent from the data subjects for any processing of personal data that goes beyond these provisions.

Attention is drawn to the fact that the employees of AWS, the members of its bodies and advisory boards as well as the experts are obliged to maintain confidentiality with regard to facts that come to their knowledge in the course of their work for AWS and the confidentiality of which is in the legitimate interest of AWS or the funding applicants. Data may only be transferred to third parties if this is provided for by federal law or if the person concerned has consented to the transfer.

Business secrets within the meaning of §§ 26a ff of the Federal Act against Unfair Competition 1984 (UWG), Federal Law Gazette No. 448/1984, which are transmitted to the AWS, must be expressly disclosed to the AWS by the funding applicants.

6.5.2 Publication and presentation of the contents and results of the project

The Federal Minister responsible for the Directive and the AWS are entitled to publish information and data of public interest, such as information in accordance with Annex III of the GBER, Art. 6 of the de minimis Regulation or project summaries, based on EU or national legal bases. Funding recipients can raise justified objections to publications (e.g. patenting, business secrecy, etc.).

7 Liability

The federal government and AWS assume no liability whatsoever for the occurrence of a specific outcome in connection with the funded project or for personal injury or damage to property arising in the course of the implementation of the project. No liability claims against AWS or the federal government can be derived either from the funding agreement or from the advice and support provided.

8 Period of validity and transitional provisions

The program document enters into force on 01.01.2024 and is to be applied until the last project funded on the basis of this program document has been duly completed. Decisions on the granting of funding on the basis of this program document can be made until 30.06.2027.