

Preseed | Seedfinancing

Program to promote the establishment and development of innovative companies 2024-2026

Program document according to point 3 of the AWS T&I Guideline 2024-2026 (Guideline for Austria Wirtschaftsservice Gesellschaft mbH for the Promotion of Technology and Innovation 2024-2026)

of the Federal Minister for Climate Action, Environment, Energy and Mobility,
Innovation and Technology (BMK) and
of the Federal Minister of Labor and Economic Affairs
(BMAW) in agreement with the Federal Minister of
Finance

Only the German version of this program document shall be legally binding, the English translation serves information purposes only!

LINK --> Program Document (German)

Contents

Contents.....	2
1 Introduction.....	4
1.1 Initial situation and motive.....	4
1.2 Strategic objectives of the funding program	4
1.3 Operational objectives of the funding program	5
1.4 Indicators	6
1.5 Object of funding.....	7
1.5.1 Program line Preseed Seedfinancing - Deep Tech.....	7
1.5.1.1 General	7
1.5.1.2 Module Preseed - Deep Tech	8
1.5.1.3 Seedfinancing module - Deep Tech	8
1.5.2 Program line Preseed Seedfinancing - Innovative Solutions	8
1.5.2.1 General	8
1.5.2.2 Module Preseed - Innovative Solutions.....	9
1.5.2.3 Module Seedfinancing - Innovative Solutions	9
1.6 Differentiation from existing programs.....	10
1.6.1 General	10
1.6.2 Special delimitation of the Seedfinancing - Deep Tech module.....	11
1.7 Evaluation	11
2 Legal bases.....	11
2.1 National legal bases.....	11
2.2 Principles of European law.....	12
3 Funding applicants, type and amount of funding, funding intensity	12
3.1 Formal and material requirements for applicants for funding	12
3.1.1 General requirements.....	12
3.1.2 Preseed - Deep Tech module and Preseed - Innovative Solutions module	13
3.1.3 Module Seedfinancing - Deep Tech and Module Seedfinancing - Innovative Solutions.....	14
3.2 Type and amount of funding, funding intensity.....	16
3.2.1 Program line Preseed Seedfinancing - Deep Tech.....	16
3.2.1.1 Module Preseed - Deep Tech	16
3.2.1.2 Seedfinancing module - Deep Tech	17
3.2.2 Program line Preseed Seedfinancing - Innovative Solutions	17
3.2.2.1 Module Preseed - Innovative Solutions.....	17
3.2.2.2 Seedfinancing module - Innovative Solutions	18
4 Costs	19
4.1 Eligible costs.....	19
4.2 Non-eligible costs.....	20
5 Procedure for granting funding.....	21
5.1 Submission of the funding application	21
5.2 Evaluation and decision criteria	23
5.2.1 General information.....	23
5.2.2 Evaluation criteria	23

5.3 Selection procedure, evaluation panel and decision	24
5.3.1 Selection procedure	24
5.3.2 Funding decision	24
5.3.3 Evaluation committees	24
5.3.4 Rules of procedure	25
5.3.5 Ethics Council for life sciences projects in the Deep Tech program line	25
5.4 Processing of the grant	26
5.4.1 Funding agreement	26
5.4.2 Minimum provisions for the design of the funding agreement	26
5.4.3 Further provisions of the funding agreement	27
5.5 Determination of the project and contract term	28
5.5.1 Program line Preseed Seedfinancing - Deep Tech	29
5.5.1.1 Module Preseed - Deep Tech	29
5.5.1.2 Seedfinancing module - Deep Tech	29
5.5.2 Program line Preseed Seedfinancing - Innovative Solutions	29
5.5.2.1 Module Preseed - Innovative Solutions	29
5.5.2.2 Module Seedfinancing - Innovative Solutions	29
5.6 Contract amendments during the project term	29
6 Control and payment	30
6.1 Cumulation and multiple funding	30
6.2 Control of the proper use of funds	32
6.3 Discontinuation of funding and general repayment obligations	33
6.3.1 General provisions	33
6.3.2 Supplementary provisions for the Preseed - Deep Tech module and the Preseed - Innovative Solutions module	34
6.3.3 Supplementary provisions for Seedfinancing - Deep Tech module and Seedfinancing - Innovative Solutions module	34
6.4 Profit generation from the funded service in the Seedfinancing module - Deep Tech	35
6.5 Payout	36
6.6 Data protection	37
6.6.1 General regulations on data protection	37
6.6.2 Publication and presentation of the contents and results of the project	38
7 Liability	38
8 Period of validity and transitional provisions	38
List of tables	39

1 Introduction

1.1 Initial situation and motive

Innovation and knowledge-intensive start-ups accelerate the structural change towards a knowledge society and promote the transfer of knowledge and technology. The potential impact of such start-ups should also be given greater focus. While the state creates the political framework conditions for social change, the innovative strength of companies is also required to develop concrete products, services, processes and business models for this purpose.

Numerous needs assessments, studies, evaluations and international reviews show that there is a risk capital and equity gap in the (pre-)start-up phase of innovative companies in Austria because private financing is not available or only available to an insufficient extent in the early phases of a company (failure of the capital market). Government support in the early stages is needed to overcome this gap. Only in this way can start-ups reach a level of technical and economic development at which private investors take over the financing of further development steps. These financing steps allow the necessary development of qualified personnel, investments, initial customer contacts and rapid growth. Support from the Preseed|Seedfinancing program plays an essential role in this.

The program is implemented by the AWS, as it synergistically combines instruments for start-up, growth and technology financing as well as special programs to support the protection of intellectual property. The financial support is intended in particular to serve as start-up aid in the (pre-)foundation phase and initial growth phase, where the instruments of private financing often have little or no effect. In addition, the companies are supported in terms of content as part of the program: Workshops and advisory services, such as on business model development, market launch or intellectual property rights, are intended to ensure the success of projects in critical phases. In addition to the direct promotion of innovative start-ups, their visibility is also increased through effective publicity measures as part of the program.

1.2 Strategic objectives of the funding program

The Preseed|Seedfinancing program addresses the following fields of action of the Federal Government's RTI Strategy 2030 in particular:

- **Goal 2, field of action 2: Support applied research and its impact on the economy and society**
 - Strengthen the RTI foundation by founding and attracting innovative companies and expanding Austria as a production location (technological competence leadership, 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) and involvement of key players, creation of larger program lines and strengthening of risk financing;
 - Strengthening open and technology-neutral corporate research as well as knowledge and technology transfer;
 - Improving the innovative capacity and output of small and medium-sized enterprises;
 - Strengthen R&D of (key) technologies in the field 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 2, field of action 3: RTI to achieve the climate targets**
 - Strengthening open and technology-neutral research in the areas of influencing factors, effects and mitigation of the climate crisis as well as in the areas of climate change adaptation and resource efficiency;
 - Developing key technologies to improve climate protection, promoting cross-sector cooperation and implementing holistic solutions while maintaining technological neutrality.
- **Goal 3, field of action 1: Develop and promote human resources**
 - Strengthening equality and diversity in R & D.

1.3 Operational objectives of the funding program

The general objective is the economically sustainable establishment of competitive, economically independent, innovative, technology- or impact-oriented companies with pronounced research/development activities or high impact potential, the transfer of university and non-university research results into competitive products, processes or services. Overall, the aim is to increase the attractiveness and thus the number of start-ups in the deep tech and high-tech sectors as well as in the impact sector, and to improve the situation of newly founded companies in the field of intellectual property. AWS start-up, growth and innovation protection consulting services make a significant contribution to this.

The Preseed|Seedfinancing program contributes in particular to the following operational objectives of the AWS T&I Guideline 2024-2026:

Table 1 - Operational objectives

No.	Operational goal
1	Promotion of technology and knowledge-intensive start-ups: Monetary funding and support through advice in the pre-start-up and start-up phase reduce know-how and financing gaps for funding recipients
2	Increasing the national and international competitiveness of highly innovative companies through supply and demand-side measures: the creation of new product offerings that prove themselves in the international environment, as well as the introduction The use of internationally available technologies to improve the product range contributes to growth and to strengthening the business location
3	Professionalization of companies in innovation protection: Specific consulting services on intellectual property enable us to shed light on all aspects of innovation protection at an early stage of the company and to ensure tailor-made innovation and competition protection for the project
4	Increasing entrepreneurial innovation to solve social challenges: Projects by innovative companies often develop solutions for social challenges in areas such as health, demographic change, environmental and climate protection or education. dun g 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:

Table 2 - Indicators

No.	Indicator
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
2a	Proportion of companies with above-average growth
2b	Share of export-oriented projects
2d	Number of jobs created
3a	Number of projects with innovation protection advice
3b	Number of funded projects that applied for property rights within the project term. have reported
4a	Proportion of projects that contribute to achieving the SDGs, in particular the climate and environmental goals, contribute

¹ The assessment of whether projects that are harmful to the climate and the environment are worthy of exclusion is carried out taking into account, mutatis mutandis, 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.

No.	Indicator
4b	Share of digitization-related projects
5a	Proportion of women in evaluation committees
5b	Proportion of projects with women in the management team
program-specific	Proportion of university and non-university pre-start-up and start-up projects

1.5 Object of funding

The Preseed|Seedfinancing funding program is divided into the program lines:

- Preseed|Seedfinancing - Deep Tech
- Preseed|Seedfinancing - Innovative Solutions

and per program line in the two modules:

- Preseed
- Seed financing

1.5.1 Program line Preseed|Seedfinancing - Deep Tech

1.5.1.1 General

Funding is provided for the pre-foundation, foundation and initial growth of highly innovative, scalable, technology-oriented start-ups in the fields of "LIS" (life sciences including medical devices and digital health), "TEC" (in particular information and communication technologies in the broader sense, sensor technology, robotics, process engineering and other technologies) and "GREEN" (such as environmental and climate protection technologies or technologies that support them and in particular technologies for the energy transition, mobility transition, circular economy and production as well as climate-neutral cities). technologies and in particular technologies for the energy transition, mobility transition, circular economy and production as well as climate-neutral cities) through financial grants and individual consulting services.

The focus is on projects that demonstrably demonstrate extremely high technological intensity and innovation (high-tech or deep tech) as well as realistic and above-average market opportunities in the context of highly scalable business models. Deep tech or high-tech start-ups are based on substantial advances in scientific knowledge and time-consuming in-house high-tech development work, which is associated with significant technological risks and exceptionally high financing requirements. The company must be in a position to sustainably expand and secure its competitive position on the basis of its international technological lead, secured by patents, licenses and other protection options.

Projects that correspond to the state of the art or only slightly develop it further (incremental innovations) are not eligible for funding.

1.5.1.2 Module Preseed - Deep Tech

The Preseed - Deep Tech module supports entrepreneurial pre-start-up and start-up projects based on applied research and development, which are to be brought to commercial implementation through the development of an initial proof of concept or prototype. Preseed - Deep Tech projects are generally at Technology Readiness Level (TRL) 3 according to the EU definition ⁿ². Pre-competitive projects (e.g. projects of university and non-university research institutions without the direct intention of founding a company) cannot be supported with this module.

1.5.1.3 Seedfinancing module - Deep Tech

The Seedfinancing - Deep Tech module supports entrepreneurial start-up and scale-up projects based on applied research and development, which are brought to commercial realization through the development of pre-series products, products and services. Seedfinancing - Deep Tech projects are in the TRL 6 range according to the EU definition.

1.5.2 Program line Preseed | Seedfinancing - Innovative Solutions

1.5.2.1 General

- Funding is available for pre-founding, founding and initial growth of (future) companies with
- high degree of innovation
- high positive social added value/impact and
- realistic and high market opportunities in the context of scalable business models

through financial subsidies and individual consulting services.

A high degree of innovation is understood to mean the development of a completely new solution for existing problems, but also the development of significant additions to existing solutions or the application of existing techniques/materials/processes in a new area or for the solution of a new problem. Projects that correspond to the current state of development in the industry or only slightly develop it further (incremental innovations) are not eligible for funding.

The basis for realistic and high market opportunities is a promising and scalable business model. Among other things, this is characterized by Profitability of the (commercial)

² https://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-g-trl_en.pdf

planned) cost and price structure, clear ideas about the market, target group and competition, (planned) processes and cooperation partnerships, for example for production and distribution.

A high social added value/impact of the project is demonstrated by the great breadth and/or depth of the impact on the groups of people affected or the subject areas listed below. The aim is to solve or alleviate a specific problem that affects a definable group of people in their lifestyle or society as a whole through (societal) innovation and thus drive social change.

The innovation-specific social impact (social impact t³) can lie in the following areas:

- Diversity / equality / integration / inclusion
- Environment / Resources / Climate protection
- Health / Care
- Education
- Mobility / Transportation
- Urban development / Living in the countryside / Housing

1.5.2.2 Module Preseed - Innovative Solutions

The Preseed - Innovative Solutions module supports entrepreneurial pre-start-up and start-up projects that are to be brought to commercial implementation by developing an initial proof of concept or prototype. The focus is on innovative products, services or applications with an impact orientation, the economic feasibility of which still needs to be verified.

1.5.2.3 Module Seedfinancing - Innovative Solutions

The Seedfinancing - Innovative Solutions module supports entrepreneurial start-up and scale-up projects for which a proof of concept can already be demonstrated and which are geared towards achieving market maturity and market launch. The focus is on novel products, services or applications with an impact orientation whose content and economic feasibility can already be plausibly and comprehensibly demonstrated. Innovative, effective and scalable projects should be implemented more quickly with the help of funding and lead to faster company growth. Funding is provided for the development steps up to market maturity as well as initial measures for market transition.

³ The English term 'social' is not synonymous with the German word 'sozial', which has a much narrower meaning. Rather, 'social' should be correctly translated as 'societal'.

1.6 Differentiation from existing programs

1.6.1 General

The nationwide reach of the Preseed|Seedfinancing program ensures that the best tech and impact start-ups in the country can be identified, supported and networked, giving them a clear competitive advantage. As a result, a large number of start-up projects can be mobilized, which enables the use of cross-sector synergies and economies of scale both in the selection and in the support of the funded start-ups.

The Preseed|Seedfinancing program is largely geared towards the economically sustainable success of the company (e.g. turnover, increase in employment, acquisition of additional and private financing), which results from the technological advance required by the program or the corresponding impact orientation. Other funding programs are mostly geared towards the successful implementation of individual projects (e.g. FFG Impact Innovation), which only play a partial role in the context of the company as a whole, and/or are geared towards a wide range of company phases and sizes (e.g. FFG basic programs).

Incubation programs such as the regionally focused AplusB centers usually start before Preseed|Seedfinancing and support the development of business ideas up to the start-up phase primarily by providing infrastructure, networks and knowledge.

As an incubation program, First Incubator essentially distinguishes itself from the Preseed in Preseed|Seedfinancing module by providing wide-ranging coaching, project-specific mentoring and a large number of workshops to further develop the content. In the Preseed modules, the focus is on financial support for start-up projects, their actual implementation and scaling with accompanying advice. Other (grant) funding programs in the technology or impact area are tied to the existence of entrepreneurial structures, i.e. they cannot be applied for by natural persons who do not yet run a company and do not offer any content-related advice beyond funding processing (e.g. FFG basic programs, thematic calls, funding from the federal states).

In the case of business start-ups in the course of the pre-seed modules, the focus is on the success of the company and not on the success of a sub-project. Pre-competitive funding for educational institutions in the start-up sector (e.g. FFG Spin Off Fellowship) does not overlap, as the educational institutions are funding recipients and company costs (e.g. operating expenses) are not funded. In contrast to other funding programs, the preseed modules as a grant do not contain a loan component and therefore have a positive effect on the balance sheet of the companies.

1.6.2 Special delimitation of the Seedfinancing - Deep Tech module

No comparable program to Seedfinancing - Deep Tech is offered for young high-tech/deep tech companies in the area of grants with performance-based repayment. Some programs finance partially or exclusively through on-balance sheet debt capital (e.g. FFG basic programs, loans based on AWS guarantees). In most cases, they are only available for later company phases in which sales already exist (loans based on AWS guarantees).

1.7 Evaluation

This program document will be evaluated in accordance with BHG 2013. This evaluation will be carried out on the basis of the indicators defined in 1.4 by the end of the second quarter of 2028. 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 funding applications and the funding agreements. In addition, the form in which the funding recipients must participate in evaluations and the information that is required to assess the achievement of the defined indicators must be disclosed 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 on a subsidiary basis.

No subjective legal entitlement to the granting of a subsidy or obligation to enter into a contract is 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 June 23, 2023, OJ L 167 of 30.06.2023 (General Block Exemption Regulation, in short: GBER), in particular 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. 36-4 ¹⁴.

3 Funding applicants, type and amount of funding, funding intensity

3.1 Formal and material requirements for applicants for funding

3.1.1 General requirements

The following requirements must be met:

- Civil law partnerships (GesbR), foundations, cooperatives and associations are not eligible to apply.
- 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.
- Pursuant 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.

⁴ If reference is made in this program document to size classes of companies within the meaning of the EU definition of SMEs or SMEs, 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 are used.

were in difficulty but became companies in difficulty in the period from January 1, 2020 to December 31, 2021.

- Companies that are the subject of 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 against companies preparing the foundation, 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.
- The intention must be to establish or develop an innovative, highly scalable company in accordance with point 1.5. Products, services, processes or applications must be developed in the foreseeable future that are new or significantly improved compared to the state of the art in the respective economic sector, or have a high added value/impact on society and carry the risk of failure.
- The start-up idea must be highly innovative and have economically sustainable prospects for growth and success.
- The applicants for funding or the main operating shareholders of the applicant company have relevant training and/or experience, are prepared to implement the project with full-time entrepreneurial commitment and pursue an above-average growth strategy. They are open to financing with venture capital.
- If the company has already been founded, the applicants must comply with the provisions of the EU definition of SMEs for independent micro and small enterprises at the time the funding is granted.

3.1.2 Preseed - Deep Tech module and Preseed - Innovative Solutions module

The following also applies to both modules Preseed - Deep Tech and Preseed - Innovative Solutions:

- In accordance with Section 2 ARR 2014, only natural persons, sole proprietorships or partnerships and corporations outside the federal administration may apply for funding.
- During the term of the project, the applicants for funding or major shareholders may not operate another company that pursues the same business activity or is active in neighboring markets as defined by the EU definition of SMEs.

- For registered companies (eU), partnerships and corporations, the first entry in the commercial register must not be more than 6 months old at the time of application.

In the case of registered companies and partnerships, entrepreneurial activities carried out exclusively for the purpose of preparing a future business activity of the company yet to be founded can be recognized as an exception.

- The establishment of a partnership or corporation, provided the application was submitted by a natural person, requires the approval of the AWS.
- The company foundation or the future business establishment must be planned in Austria and the value creation must be predominantly in Austria.
- The company founded or to be founded must be an independent company in accordance with Recommendation 2003/361/EC of the European Commission at least until the final settlement of the grant. Subsidiaries (e.g. sales companies, development companies) that are wholly owned by the company receiving the grant do not impair the independence within the meaning of this point.

3.1.3 Module Seedfinancing - Deep Tech and Module Seedfinancing - Innovative Solutions

The following also applies to both modules Seedfinancing - Deep Tech and Seedfinancing - Innovative Solutions:

- Pursuant to Section 2 ARR 2014, funding applicants can only be partnerships or corporations outside the federal administration.
- The company must be an independent enterprise at the time the funding is granted in accordance with Recommendation 2003/361/EC of the European Commission.
- Subsidiaries (e.g. sales companies, development companies) that are wholly owned by the company receiving the subsidy do not affect independence.
- Majority owners of companies that do not qualify as young s⁵ micro or small enterprises within the meaning of the EU definition of SMEs may only hold a stake of less than 25% in the company of the funding applicant.
- Investors pursuant to Art. 3 para. 2 lit. a to d of the EU definition of SMEs may hold a total of up to 50% of the shares in the company.
- Funding can only be granted to companies that were entered in the commercial register less than five years ago at the time the funding was granted and that have not yet been entered in the commercial register.

⁵ not older than 5 years within the meaning of Art. 22 GBER

which have distributed profits and which were not founded through a merger of older companies and have not taken over the activities of an older company. Companies that were founded through a merger of companies eligible for aid under Art. 22 GBER are also considered eligible for aid up to five years after the date of registration of the oldest company involved in the merger.

- The application must be submitted no later than 54 months after entry in the commercial register or the commencement of business activities.
- Agreements can be made with founders, managing directors of subsidiaries and other shareholders to secure repayment claims under the funding agreement.
- The funded company may only receive the maximum funding amount in accordance with point 3.2 once during the period in which it is considered a young innovative company.
- Previous funding from the respective Preseed module must have been properly implemented and the final proof of use must have been recognized by the AWS before funding from the respective Seedfinancing module is granted.
- A balance sheet must be prepared in accordance with the provisions of the Austrian Commercial Code (UGB) for the financial year in which the grant is awarded at the latest.
- In compliance with Art. 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.
- The following applies to funding applicants and third-party companies that are affiliated via natural persons or a group of natural persons who individually or jointly hold 25% or more of the shares in the funding applicant and the third-party company: Funding previously received from a seed financing module of the third-party company must have been duly recognized by means of a final proof of use. This does not apply to investors pursuant to Art. 3 para. 2 lit. a to d of the EU definition of SMEs.
- For the Seed Financing - Deep Tech module, the following also applies: The funding recipient is an innovative company pursuant to Art. 2 para. 80 GBER, whose R&D expenditure in at least one of the three years prior to the granting of the aid or, in the case of a newly founded company, without a completed financial year in the context of the audit of the current financial year, amounts to at least 10% of its total operating expenditure certified by an external auditor, or which can prove that it will develop products, services or processes in the foreseeable future that are new or that represent an innovation compared to the state of the art in the sector in question.

The risk of a technical or industrial failure is inherent in the products that are significantly improved in the respective industry.

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 evidenced by a planned calculation.

3.2.1 Program line Preseed|Seedfinancing - Deep Tech

3.2.1.1 Module Preseed - Deep Tech

Funding for the Preseed - Deep Tech module is provided by:

1. Granting of a subsidy in accordance with point 4.2 of the AWS T&I Guideline 2024-2026 of up to 80% of the eligible costs or a maximum of EUR 267,000.

At least 10% of the total costs must be raised from the financial resources of the (future) shareholders and must be paid in one or more deposits to the bank account relevant to the project. The recognition of non-monetary own contributions is excluded.

Gender bonus: If (one or more) women belong to the project at the time the grant is awarded and (will) own more than 25% of the shares in total, the grant awarded increases to up to 90% of the eligible costs or a maximum of EUR 300,000.

When claiming the gender bonus, at least 5% of the total costs must be raised from the financial resources of the (future) shareholders and must be paid into the project-relevant bank account in one or more payments. The recognition of non-monetary own contributions is excluded.

When claiming the gender bonus, project-relevant qualifications must be demonstrated. Proof must also be provided of the acquisition of the relevant shares and the participation of (future) female shareholders in a managerial role at the time of foundation or during the term of the project with more than 50% of the normal working hours as stipulated in the collective agreement or by law. This does not apply to absences due to periods of maternity leave or parental leave.

2. 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 7,600.
- b) for innovation protection with a maximum lump-sum equivalent value of EUR 3,400.

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

3.2.1.2 Seedfinancing module - Deep Tech

Funding as part of the Seedfinancing - Deep Tech module is provided by:

1. Granting of a subsidy of up to 80% of the eligible costs or a maximum of EUR 889,000 with profit sharing if the project is successful in accordance with point 4.2 of the AWS T&I Guideline 2024-2026 and point 6.4 of the program document.

At least 10% of the total costs must be raised from the financial resources of the shareholders and must be paid by one or more deposits into the bank account relevant to the project. The recognition of non-material own contributions is excluded.

Gender bonus: If (one or more) women belong to the project at the time the grant is awarded and they own more than 25% of the shares in total, the grant awarded increases to up to 90% of the eligible costs or a maximum of EUR 1,000,000.

If the gender bonus is claimed, at least 5% of the total costs must be raised from the financial resources of the shareholders and must be paid into the bank account relevant to the project in one or more payments. The recognition of non-monetary own contributions is excluded.

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 in the company and the participation of the female partners in a managerial role during the term of the project with more than 50% of the standard working hours stipulated in the collective agreement or by law. This does not apply to absences due to periods of maternity leave or parental leave.

2. 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 18,900.
 - b) for innovation protection with a maximum lump-sum equivalent value of EUR 6,800.

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

A combination with other funding instruments in accordance with Art. 22 GBER reduces the maximum amount for a grant under this program module.

3.2.2 Program line Preseed | Seedfinancing - Innovative Solutions

3.2.2.1 Module Preseed - Innovative Solutions

Funding as part of the Preseed - Innovative Solutions module is provided by:

1. Granting of a subsidy in accordance with point 4.2 of the AWS T&I Guideline 2024-2026 of up to 80% of the eligible costs or a maximum of EUR 89,000.

At least 10% of the total costs must be raised from the financial resources of the (future) shareholders and must be paid in one or more deposits to the bank account relevant to the project. The recognition of non-monetary own contributions is excluded.

Gender bonus: If (one or more) women belong to the project at the time the grant is awarded and (will in future) own more than 25% of the shares, the grant awarded increases to up to 90% of the eligible costs or a maximum of EUR 100,000.

When claiming the gender bonus, at least 5% of the total costs must be raised from the financial resources of the (future) shareholders and must be paid into the project-relevant bank account in one or more payments. The recognition of non-monetary own contributions is excluded.

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 (future) female partners in a managerial role at the time of foundation or during the term of the project with more than 50% of the normal working hours as stipulated in the collective agreement or by law. This does not apply to absences due to periods of maternity leave or parental leave.

2. 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 5,000.
- b) for innovation protection with a maximum lump-sum equivalent value of EUR 1,700.

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

3.2.2.2 Module Seedfinancing - Innovative Solutions

Funding as part of the Seedfinancing - Innovative Solutions module is provided by:

1. Granting of a subsidy in accordance with point 4.2 of the AWS T&I Guideline 2024-2026 of up to 80% of the eligible costs or EUR 356,000.

At least 10% of the total costs must be raised from the financial resources of the shareholders and must be paid by one or more deposits into the bank account relevant to the project. The recognition of non-material own contributions is excluded.

Gender bonus: If (one or more) women belong to the project at the time the grant is awarded and they own more than 25% of the shares in total, the grant awarded increases to up to 90% of the eligible costs or a maximum of EUR 400,000.

When claiming the gender bonus, 5% of the total costs must be raised from the financial resources of the shareholders and must be paid into the bank account relevant to the project in one or more payments. The recognition of non-monetary own contributions is excluded.

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 corresponding shares in the company and the participation of the female partners in a managerial role during the term of the project with more than 50% of the normal working hours as stipulated in the collective agreement or by law. This does not apply to absences due to periods of maternity leave or parental leave.

2. 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 5,000.
- b) for innovation protection with a maximum lump-sum equivalent value of EUR 3,400.

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

A combination with other funding instruments in accordance with Art. 22 GBER reduces the maximum amount for a grant under this program module.

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 for founders and employees, insofar as they are deployed for the respective project. For personnel costs that are predominantly supported by federal funds, costs are only eligible up to the amount that either corresponds to the federal salary scheme or is based on corresponding statutory provisions, collective agreements or industry-standard company agreements based on these. If no such agreements exist, employment contracts that are customary in the industry can also be accepted. The personnel costs to be taken into account are the actual wage and salary costs incurred according to the internal wage and salary accounting of the funding applicant.

- **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 subsidized is the share of costs that corresponds to the depreciation under the Income Tax Act 1988 for the performance period.

corresponds. For larger, contiguous units, an average hourly rate that takes into account depreciation as well as the necessary auxiliary and operating materials, maintenance and other ongoing operating costs can be applied.

- **Travel expenses**

Travel expenses are eligible if and to the extent that they can be claimed as business expenses in accordance with the provisions of the Income Tax Act 1988.

- **Other program-specific costs**

In order to maintain full-time entrepreneurial commitment, childcare costs of up to EUR 500 per month can be recognized as eligible for funding. This applies for the duration of childcare obligations for small children (up to the age of three) of founders with more than 25% of the business shares if the costs are borne by the funding recipients and all guardians are employed full-time.

- **Costs in the context of 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, property rights (e.g. patent costs, trademarks, designs or utility models, licensing rights).

4.2 Non-eligible costs

In particular, the following are not eligible for funding

- Costs incurred before the application date or the contractually agreed project start date;
- Costs that are not directly incurred for the duration of the funded project;
- Costs that are not an absolute 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 considered a grant by the tax office due to the existence of a taxable and taxable service provided by the grant recipients to the federal ministers responsible for the directive in accordance with the Value Added Tax Act 1994, Federal Law Gazette No. 663, but rather as contract remuneration and VAT is to be paid to the tax office by the grant recipients, 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, with the exception of:
 - Payment of a child allowance of EUR 150 per month for each child for whom family allowance is demonstrably received;
 - Support costs in accordance with point 4.1.

Details on the eligible and non-eligible costs and on invoicing are regulated by the 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 include 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, additionally the company register number and information on the size of the company and, if applicable, all necessary documents to determine SME status n⁶,
- Description of the project with details of the start and completion dates,
- Location of the project,
- a performance, cost, time and financial 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,
- 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 due to 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 detailed project concept (business concept or business plan) containing key aspects such as a description of the product or process, in particular the unique selling points, the business model, the markets addressed, an assessment of the competition, the competencies of the team and a meaningful financial plan. In the case of the Deep Tech program line, a comprehensive differentiation from the state of the art must be added. In the case of the Innovative Solutions program line, an impact analysis must be included.

Planning and assumptions for the future must be identified as such and prepared to the best of our knowledge using adequate sources.

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.

⁶ 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. This includes, in particular, those entities that carry out a craft activity or other activities as one-person or family businesses, as well as partnerships or associations that regularly pursue an economic activity.

5.2 Evaluation and decision criteria

5.2.1 General information

Funding applications within the two modules are assessed according to the evaluation criteria in section 5.2.2. The weighting of these criteria can be adapted to the respective company phase on a module-specific basis.

The individual constellation and segment-specific market environment of the company should be taken into account. Due to the fact that the success of the company is usually highly dependent on the underlying development project, the future company must be assessed according to both project-specific and entrepreneurial criteria in a holistic approach.

5.2.2 Evaluation criteria

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

- **Innovation potential:** Innovation potential refers to the ability of a start-up project to create added value either through the development of cutting-edge technology that sets new market standards or through a social or ecological impact. This includes not only the development of groundbreaking products and services, but also the use of new business models for socially relevant goals. The strategic management of intellectual property, such as patents or markets, serves as an additional lever for competitiveness.
- **Growth/employment:** The project has high export and internationalization potential, leads to higher qualification of the workforce, achieves positive employment effects or has high potential for risk financing.
- **Environmental relevance:** The project leads to innovations that contribute significantly to the achievement of environmental goals within the framework of the European Green Deal without at the same time causing significant impairment of these goals.
- **Social and societal impact:** The project has a positive social impact and includes measures to promote gender equality, in particular through the qualification and promotion of women, as well as inclusive and diverse corporate governance.

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 procedures as well as the review and evaluation steps, the principles according to point 6.3 of the AWS T&I Guideline 2024-2026 apply.

The AWS first checks the formal and material accuracy 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.

Once the formal criteria of the funding application have been met, a substantive review of the application, tailored to the respective module, begins with regard to the fundamental suitability of the project. For this purpose, the contents of the application are examined in accordance with the AWS T&I Guideline 2024-2026 and the program document with an intensity appropriate to the project and module.

In the event of a positive evaluation by the AWS in accordance with the list of criteria, the project must be submitted to the relevant evaluation committee for assessment.

In the event of a positive assessment, the evaluation panel makes a funding recommendation; in the event of a negative assessment, the evaluation panel provides a written justification.

5.3.2 Funding decision

The results of the selection procedures 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 respective federal ministers responsible for the directives must be informed of the outcome of the selection procedures and have the right to obtain information on and 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 AWS appoints an evaluation pool of national and international experts from which the members of the evaluation committees are recruited. From this pool, subject-specific evaluation committees are appointed by the AWS.

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 respective federal ministers responsible for the guidelines must be informed of the composition of the evaluation panels and have the right to participate in the evaluation panels without the right to vote. If necessary, other persons may participate in meetings of the evaluation panel as observers.

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

5.3.4 Rules of procedure

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

- Tasks
- Voting authorization
- Regulation for absence in case of prevention
- Resolution
- Obligation to maintain confidentiality or report/document bias
- Quorum
- Independence
- Liability
- Compensation for the assessment
- 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 respective federal ministers responsible for the directives.

5.3.5 Ethics Council for life sciences projects in the Deep Tech program line

An Ethics Council is also appointed to assess projects in the field of life sciences in the Preseed|Seedfinancing - Deep Tech program line.

The Ethics Council is made up of experts from the fields of bioethics, human ethics and animal ethics.

The composition of the evaluation committees, the quorum and the voting procedure are regulated in the rules of procedure of the Ethics Council.

For applications from the life sciences sector, applicants for funding must complete the "Declaration of Commitment to Ethics" provided by the AWS and sign it in a legally binding manner.

sign the declaration. The declaration contains questions on fields of activity for which a positive answer must be submitted to the Ethics Council and questions for which a positive answer may be submitted to the Ethics Council as an option. Optional referral is at the discretion of the AWS.

5.4 Processing the funding

5.4.1 Funding agreement

If funding is granted, the AWS must send the funding applicants an offer of funding for a limited period of time. If the funding applicants accept the funding offer, including any conditions and requirements, 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. Exact 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 and
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 recipients 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 would delay or render impossible the performance of the subsidized service or require a change to the application for funding or the 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 submit them to them at their request, provide them with the necessary information or have them provided with the necessary information and make a suitable person available 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 also use suitable image and data carriers for storage, provided that the complete, orderly, identical, faithful and verifiable reproduction is guaranteed at all times until the end of the storage period; In this case, the applicants for funding shall be obliged to provide, at their own expense, all aids necessary to make the books, receipts and other documents legible and, if necessary, to provide legible permanent reproductions without aids and, if permanent reproductions are created, 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 appropriate 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;
13. observe the Equal Treatment Act, Federal Law Gazette I No. 66/2004, insofar as it concerns the promotion of a company, and 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 contract;
15. in the Seedfinancing - Deep Tech module comply with the provisions on profit sharing pursuant to Section 6.4;
16. must refer to the funding from federal funds under the Preseed|Seedfinancing funding program in a suitable manner in all information and communication measures relating to the funding project until and after completion of the funding project.

In addition, the Seed Financing - Deep Tech module for venture capitalists must define separate conditions for joining the funding agreement that correspond to the objectives of the funding program.

5.5 Determination of the project and contract duration

Projects must be started in accordance with the agreed timetable, otherwise immediately after the grant is awarded and implemented quickly. A cost-neutral extension of the project term is only possible if an application for an extension has been submitted to the AWS before the project term is exceeded and the AWS determines that the approved funding purpose will be maintained.

5.5.1 Program line Preseed|Seedfinancing - Deep Tech

5.5.1.1 Module Preseed - Deep Tech

The maximum project duration is 24 months. A cost-neutral extension of the project term by a maximum of 24 months is possible.

5.5.1.2 Seedfinancing module - Deep Tech

- The duration of the project is agreed individually. The project term begins with the signing of the funding agreement and is generally limited to 4 - 7 years.
- At the end of the project term, a five-year observation period begins with regard to the company's success.
- The contract term comprises the duration of the agreed project term and the monitoring period.
- If, in the opinion of the AWS, it is no longer economically viable to maintain the funding agreement during the observation period with regard to the ratio of processing costs and expected returns, the term of the agreement may be shortened by mutual agreement, whereby a shortening of a maximum of two years is permissible. Curtailments of the contract term must be brought to the attention of the respective federal ministers responsible for the guidelines on an ad hoc basis.

5.5.2 Program line Preseed|Seedfinancing - Innovative Solutions

5.5.2.1 Module Preseed - Innovative Solutions

The maximum project duration is 12 months. A cost-neutral extension of the project duration by a maximum of 6 months is possible.

5.5.2.2 Module Seedfinancing - Innovative Solutions

The maximum project duration is 24 months. A cost-neutral extension of the project term by a maximum of 12 months is possible.

5.6 Contract amendments during the project term

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 such a supplementary agreement cannot be reached, this shall constitute grounds for discontinuation and repayment, applying point 6.3 mutatis mutandis.

The AWS may adjust the conditions of the funding agreements following a justified, written application by the funding recipient, provided that the essential content of the project and the approved funding purpose are maintained and the objectives of the program are still met.

In the event of deviations from milestones defined in terms of time and content, payments can only be made after an amendment to said milestones has been requested and approved in writing by AWS.

6 Control and payment

6.1 Cumulation and multiple funding

The AWS must be contacted before funding is granted:

- a) which grants from public funds, including EU funds, have been awarded to the applicant in the last three years prior to submission of the grant application for the same service (for the project), even if for different purposes, and
- b) 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 funding applicants in advance (e.g. regular coordination with relevant funding institutions or, in cases of suspicion, the involvement of employees of other funding institutions, etc.), which are suitable for avoiding unwanted 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 that 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

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

Aid based on this scheme document may not be cumulated with de minimis aid for the same eligible costs if such cumulation does not meet the conditions laid down in point 5.2 of the AWS T&I Guideline 2024-2026 are exceeded.

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 total funding in the individual case as 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 most favorable funding rate under relevant EU law (usually the ceilings set out in Horizon Europe) is not exceeded by the total amount.

For this reason, the AWS must check with other eligible funding institutions before granting funding if it suspects the existence of unauthorized multiple funding. Due to an effective risk-based control procedure to identify 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

- a) the grant application is amended in such a way or the grant agreement provides for such requirements and conditions that the existence of an unauthorized multiple grant can be excluded,
- b) it can be assumed that the subsidized project has been properly implemented and accounted for, and
- c) the other eligibility requirements are met.

Until the end of the funding project, the funding recipients are obliged to inform AWS of all funding applied for during the project period that is directly related to the funded project.

6.2 Checking that the funds are used for the intended purpose

The funding recipients must provide evidence of the intended use of the funding in the form of factual reports and numerical evidence. In this regard, the funding recipients must submit interim proof of use (milestone reports) and a final proof of use at the times specified in the funding agreements after the respective milestones have been met. Templates for this are made available on the AWS website and must be used. In accordance with point 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 statement of expenditure, the AWS will request a legally binding declaration that the services invoiced were not also funded by any other funding institution in an inadmissible manner. Funding recipients must note that the misuse of funding may result in criminal prosecution.

6.3 Discontinuation of funding and general repayment obligations

6.3.1 General provisions

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

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 or not submitted on time, evidence has not been provided or required information has not been provided or not been provided on time, provided that in these cases a written reminder with an appropriate time limit and an explicit reference to the legal consequences of non-compliance has remained 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 storage of the documents;
5. the grant funds have been used by the grant recipient 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 default on 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.

6.3.2 Supplementary provisions for the Preseed - Deep Tech module and the Preseed - Innovative Solutions module

For the Preseed - Deep Tech and Preseed - Innovative Solutions modules, the following additional grounds for discontinuation and recovery must be agreed:

1. Cessation of autonomy within the meaning of point 3.1 before acceptance of the final proof of use of the funding;
2. complete or majority sale of the company (exit) before acceptance of the final proof of use of the funding and up to 12 months thereafter;
3. Relocation of the subsidized business activity abroad before the final settlement of the subsidy and up to 12 months thereafter.

6.3.3 Supplementary provisions for module Seedfinancing - Deep Tech and module Seedfinancing - Innovative Solutions

For the Seedfinancing - Deep Tech and Seedfinancing - Innovative Solutions modules, the following additional reasons for hiring and reclaiming must be agreed:

1. Establishment of a subsidiary without the consent of AWS;

2. Shifting the majority of the company's value creation to the foreign country;
3. Direct or indirect inflows of funds from the company to the shareholders not agreed in the funding agreement;
4. Repayment or interest payments on financing prior to full repayment of the grant without the consent of AWS.
5. Disposal of material assets: Sale of assets of the company that significantly determine the company value (e.g. asset deal, patent sale) or their relocation abroad;
6. Sale or partial sale of the company: sale of shares in the company receiving the grant or a company that itself directly or indirectly holds shares in the company receiving the grant, or comparable transactions (share deal). If the proceeds are less than 50% of the acquisition costs (e.g. payments, convertible loans, contributions in kind) of these business shares, a reclaim may be waived;
7. Loss of status as a small or micro enterprise within the meaning of the EU definition of an SME due to a change in ownership.

In justified exceptional cases, the AWS may enter into agreements with the funding recipients that deviate from sections 5, 6 and 7 and ensure the purpose of the funding.

6.4 Profit generation from the funded service in the Seedfinancing - Deep Tech module

- The funding recipients must immediately notify the AWS of the amount of the profit (surplus) generated directly or indirectly from the service during or within five years of its implementation (e.g. through the profitable exploitation of a service) and share in the profit (surplus) up to the amount of the funding received (profit sharing in the annual surplus).
- This also applies in cases pursuant to Section 6.3.3 (5), (6) or (7) if AWS enters into an agreement with the funding recipients that ensures the purpose of the funding and the funding is discontinued without reclaiming it. In this case, a reasonable deadline for repayment must be set. The repayment to the AWS is made to the extent of the funds accruing directly or indirectly to the shareholders from the sale. The proceeds from the sale of shares in the funding recipient or a superordinate entity by shareholders or a comparable transaction shall in any case be deemed an inflow of funds.
- In the event of a positive net profit for the year in accordance with the Austrian Commercial Code (UGB) during the term of the agreement, a repayment is due six months after the balance sheet date. It amounts to 50% of the net profit for the year in accordance with Section 231 UGB. The annual financial statements must be prepared in accordance with the provisions of the UGB. This regulation also applies mutatis mutandis to partnerships and

individual companies. The regulation must also be applied to subsidiaries. Exceptions to this must be approved in writing by the AWS.

- The obligation to pay profit shares from subsidized benefits ends with the contractual term of the subsidy agreement. In addition, annual surpluses for the financial year in which the contract term ends are also subject to additional profit sharing from subsidized services. Other receivables arising from the subsidy agreement during its term continue to exist after its termination.
- More detailed provisions on the calculation of profit shares from subsidized services in accordance with this point are to be set out in the subsidy agreement.
- In special cases (in particular liquidity of the funding recipients), the deadline for repayment can be set at up to 3 years after the respective balance sheet date of the AWS upon request.
- To secure these profit shares from subsidized services, the liability of the shareholders of the recipient of the subsidy can also be stipulated.
- For the purposes of profit determination, the entire group of companies is regarded as a single accounting entity.

6.5 Payout

Funding may only be disbursed to the extent that and not before it is required for 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 milestone-dependent installments and with the proviso that a further installment is only paid out once an interim proof of use (milestone report) 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. Any reports agreed in the funding agreement that were to be provided by the time of the respective disbursement must also be submitted.

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 the payment of the grant can be postponed if and for as long as circumstances exist that make the proper implementation of the service appear to be unwarranted.

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 base interest 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.

6.6 Data protection

6.6.1 General regulations on data protection

The funding applicants acknowledge that the federal ministers responsible for the guidelines and the AWS as joint controllers are authorized 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.

Funding applicants also acknowledge that the federal ministers responsible for the guidelines and the AWS, as joint controllers, are entitled to collect the personal data required to assess the existence of the eligibility requirements and to check 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 relevant funding, or from other third parties and to transmit this data to them, whereby these third parties are in turn authorized to process the personal data required for the inquiry 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 ministers 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 may be passed on in particular to bodies and representatives of the Austrian Court of Audit (in particular in accordance with

§ Section 3 (2), Section 4 (1) and Section 13 (3) of the Austrian Court of Audit Act 1948, Federal Law Gazette No. 144), the Federal Ministry of Finance (in particular pursuant to Sections 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 Section 14 ARR 2014) and the European Union in accordance with 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.

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

The respective federal ministers 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 31.12.2026.

List of tables

Table 1 - Operational objectives	6
Table 2 - Indicators	6