

Contribute to knowledge about the development of sustainable bio-based value chains

In this call for proposals the Swedish Energy Agency is providing support for research and innovation projects that contribute to the transition of the energy system by developing knowledge and competence about the establishment of sustainable and bio-based value chains.

The call has a scope of approximately SEK 70 million.

The closing date for applications is 11 September 2023.

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1 Focus of the call

In this call for proposals the Swedish Energy Agency is providing support for research and innovation projects that contribute to the transition of the energy system by developing knowledge and competence about the establishment of sustainable and bio-based value chains.

The call has a scope of approximately SEK 70 million. The maximum permitted level of aid per project is SEK 10 million. Please submit your application no later than 11 September 2023.

An extensive use of biomass and bioenergy is one of the cornerstones in both the realisation of Sweden's energy and climate policy goals and in the transition of energy systems away from fossil fuel dependency. There is a growing use of biomass in bio-based materials, products and fuels. At the same time, we know that biomass and bioenergy are limited resources. There is therefore a need for more knowledge and competence about how competitive supply and value chains with a base in bio-based raw materials can be built up in a sustainable way.

The aim of the call

The Swedish Energy Agency wants to use the Bio+ research and innovation programme to develop sustainable bio-based solutions and value chains, and to increase knowledge and competence about how these should interact with each other, the energy system and society.

This is the seventh call for proposals within Bio+ and we welcome project proposals for research and innovation projects that increase knowledge and competence about the creation of new, and strengthening of existing, bio-based value chains that have the aim of reducing the use of fossil-based input materials in society. The project will contribute to two or more of the programmes targeted outcomes that are described in more detail in section 9.

- Resource-efficient solutions
- Sustainable value chains
- New actor constellations
- High level of competence
- Effective instruments and policies

Project application

The project has its base in one or more well-defined bio-based value chains. See below for a more detailed definition of bio-based value chains. The development of processes to make use of residual streams that arise in different parts of a value chain, as either bio-based raw materials for new products, or as raw material for the productions of biofuels are included in the call. The value chain

or chains for the intended development must have the potential to be able to deliver sufficient volumes to be able to justify an industrial development.

The project should be conducted in collaborations with possible actors in the value chain as well as possible technology suppliers for the processes (if applicable). The innovation clusters established by the Swedish Energy Agency within some of the programme areas can facilitate contacts and networks to the applicants in this call (for further information see bioplusportalen.se). The building up of academic competence through doctoral projects is preferably conducted in collaboration with industry partners. Initiatives that result in collaboration between several doctoral students within or between different disciplines, or between different higher education institutions is seen as positive.

An analysis that clarifies the strengths and weaknesses along with opportunities and threats in the proposed bio-based value chain is a central part of the application and a basis for the proposed research and development initiatives. The analysis should be based on the state of the art within the chosen field, and shall, from an energy and climate perspective, motivate which part or parts of the value chain the project will focus on. The chosen research initiatives are solution orientated and are based upon this analysis. Sustainability aspects and system-analytical elements of the value chain can also be included in the analysis of the value chain.

The call also provides the opportunity to apply for aid with conducting a such mentioned analysis in the form of a feasibility study¹ prior to future calls for proposals from the Swedish Energy Agency. Feasibility studies therefore also cover projects of a demonstration-preparatory character.

The maximum permitted level of aid for projects in the form of a feasibility study is SEK 1,5 million. Approximately SEK 5 million has been reserved for feasibility studies in this call.

Bio-based value chains

A bio-based value chain stretches from primary production via industrial refining and production processes to final use. A value chain can branch out into different types of residual streams and even interact with other parts of the energy system for example through the use of carbon dioxide in production of synthetic fuels. Through combined industrial plants and technological systems, different value chains can meet - and new value chains can be created - to enable increased resource efficiency, better resource use as well as creating possibilities for new constellations of actors.

¹ Definitions of the different research categories are shown in table 1 in Annex 1.

Central to future bio-based value chains are well characterised bio-based raw materials² and clear requirement specifications from industry clients. Subprocesses in each respective section of the value chain need to be flexible in order to accommodate variations in the raw material, have high yields, and low input energy requirements. Each section of the value chain will produce side streams and residual streams that need to be accommodated for, either within new value chains or, within energy recovery. Well thought through systems with a foundation in industrial symbiosis make use of side streams and residual streams throughout the whole value chain, including final use, in an optimised way. In order to develop bio-based value chains, both new and existing, requires more knowledge about the production of bio-based raw materials and how this affects ecological and social factors; how costs can be reduced throughout the entire chain; how processes in the chain can be made more flexible and robust; and how new constellations of actors can collaborate to help achieve this.

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

Deadline for applications	Decisions planned in	Earliest project start	Project ends no later than
11 September 2023	December 2023 at the earliest	1 January 2024	31 December 2027

Delimitations:

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

The following is NOT included in the call:

- Technological development within value chains for bio-CCS (Carbon Capture and Storage) with the aim of permanent storage of carbon dioxide. Applications are referred to Industriklivet. Applications regarding bio-CCU (Carbon Capture and Utilization) are however encouraged.
- Large pilot and demonstration projects with more than SEK 7 million in eligible costs (please refer to the call entitled Pilot & demonstration).

2 Who can apply?

All actors who can contribute to achieving the purpose of the call can apply.

² The characteristics of bio-based raw materials relate to both the sustainability profile and the actual characteristics.

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

Specifically for institutes of higher education: doctoral and licentiate projects, projects that are part of a doctoral programme, post-doctoral researchers and junior researchers³ are particularly welcome in this call in order to strengthen academic competence in the field of bioenergy and biomass.

Applies to all projects: relevant recipients of the results and/or actors within the value chain must actively participate in the project. The application will be strengthened if there is financial engagement and engagement from a wider group of stakeholders where different types of actors (branch, academia and research institutes) collaborate.

3 Assessment criteria

The projects described in the applications will be assessed on the basis of the following four criteria. Feasibility studies are assessed based on potential, feasibility and news value.

Potential to contribute to the aim of the call

- To what extent does the project contribute to the targeted outcomes of the call?
- To what extent can the project contribute to the establishment of bio-based value chains?

Feasibility

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

³ A junior researcher is defined as a PhD graduate who does not yet have a stable position on the academic career path and can, for example, be employed as a postdoctor, postgraduate lecturer, researcher, associate lecturer, or other position with duties primarily related to research.

- Does the project have inter-sectorial collaboration?

News value

- How well is the current state of knowledge described?
- To what extent is the project innovative and/or to what degree does the project contain a new solution and/or how well does the project contribute to pushing forward the frontiers of current knowledge?
- Is there an identified need for the project's results, for example, a clear knowledge gap or market potential?
- Is the project considered to be of high scientific quality?

Benefits

- Are there clear target groups and/or end users for the project results, and are their needs being taken into account?
- To what extent, and how, can the project's results be of use, for example, through the dissemination of results, knowledge building, publications, new goods, services, processes, or commercialisation?
- To what degree can the project contribute to dialogue between research groups within academia and/or between industry and academia as well as between researchers that are active within different fields?

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

4 How to apply - start in good time

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

- Use the e-service "Funding for research and innovation" on My Pages to write your application (<https://minasidor.energimyndigheten.se>). The call is entitled **Bioplus 2023 FoI**.
- Start by applying for authorisation to represent the coordinator, i.e. the organisation that will be coordinating the project, which will receive the support from the Swedish Energy Agency and which will forward the support to potential other beneficiaries participating in the project. Apply for authorisation in good time, as it can take a couple of days to obtain authorisation. You will receive an email when your application has been approved.
- Once you have been given authorisation for the e-service, you have access to the form "Application for funding for research and innovation", which you must complete and submit.

The call closes on **11 September 2023 at 23:59**. We provide support until 16:00 on that date.

5 What should be included in the application?

Enter your application text in the application form on Mina Sidor. Read more about what to include in the application in Application instructions.

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

Important: explain why the project needs to be implemented

- The application must clearly state how the project contributes to the energy and climate transition and to the development of a sustainable energy system.
- The application is strengthened by a thorough analysis of the current value chain in order to motivate the current research initiative.

Any figures and images referenced in the text can be attached. Note that the project description must be included in the application form and must not be attached as an appendix. The appendices must clearly supplement the application form and not contain the same information as in the application form.

6 How much support can each project partner receive?

In this call for proposals, a total of approximately SEK 65 million is available for the selected project partners. The maximum permitted level of aid per project is SEK 10 million.

What proportion of costs each project partner can receive funding for depends on factors such as:

- The amount of eligible costs incurred by the project partner.
- Whether the project partner is a company or is engaged in non-economic activity.
- The category of research that the activities in the project are considered to correspond to.

For more detailed information about levels of aid, eligible costs and kinds of activities, see Annex 1 — aid intensities.

7 What happens after you have submitted your application?

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

The Swedish Energy Agency may perform a credit check on applicant companies.

The Swedish Energy Agency will then decide whether to approve or reject your application, taking into account the assessments of the expert panel. **Decisions will be taken in December 2023 at the earliest.**

You can follow the progress in your case on Mina sidor.

8 If you are granted support

The aid is disbursed according to a disbursement plan that is included in the decision found on Mina sidor. For more information, see Annex 2 – terms and conditions for authorised projects.

9 The call is part of the Bio+ programme

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

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

By 2030-2045, the programme will have contributed to the following targeted outcomes:

Resource-efficient solutions

Resource-efficient and cost-efficient technologies, products (goods and services) and system solutions are available. The solutions facilitate an increased security of supply, are competitive and increase carbon exchange. The solutions are exported to an international market.

Sustainable value chains

Sustainable value chains are available that encompass the supply of sustainable bio-based raw material and conversion to products and solutions that are in demand by the market. Value chains also include utilisation of side streams and residual streams, and in interaction with other industries and/or sectors.

New actor constellations

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

High level of competence

Companies and organisations in Sweden can easily recruit the competence required by the entire bio field in order to accelerate the transition. National competence within the field is strong and adapted to meet society's needs.

Effective instruments and policies

Partners in the bio-sector must meet incentives that are in line with society's goals where the market mechanisms work well and interact with the energy system. Regulations have been designed based on current sustainability research, social studies, system, and socio-economic analyses.

The programme will run between 2021 and 2027 has a framework of SEK 511 million.

This is call number 7 within the programme.

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

10 If you have any questions

Send an email to bioplus@energimyndigheten.se and quote “**Bioplus 2023 FoI**” in the subject line.

Common questions

Would it be possible to book a meeting with you to present our project proposal and get feedback about the possibility of our proposal receiving aid from the programme?

The Agency does not give prior notice to potential/upcoming applicants regarding their project proposals within the framework of the call, but rather refers to the published call for proposals document. It is the responsibility of the applicant to motivate how their proposal fits into the call/programme.

Where should I write the analysis that clarifies the strengths and weaknesses and the opportunities and problems of the envisaged bio-based value chain?

The analysis that clarifies the strengths and weaknesses and the opportunities and problems in the envisaged bio-based value chain should be concise and must be written under the heading “Motivera varför projektet behöver genomföras” (eng. Justification of the project) in the regular application form.

11 Annex 1 – Aid intensities

Aid for research and development projects

Aid to companies is granted in accordance with Ordinance (2008:761) on state aid for research, development or innovation in the energy sector. Ordinance (2008:761) enables the Swedish Energy Agency to provide state aid in accordance with Commission Regulation (EU) No 651/2014⁴.

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

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

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

⁴ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (EUT L 187 26.6.2014, p. 1).

Aid to actors performing non-economic activities

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

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

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

Aid to companies

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

The percentage of the company's eligible costs (referred to as the aid intensity) that the aid from the Swedish Energy Agency may cover is determined by Article 25 of Commission Regulation (EU) No 651/2014. The aid intensity is determined based on, inter alia, the research category which the various research and development activities fall under and the size of the company receiving the aid. Company size is determined in accordance with the rules set out in Annex I to Commission Regulation (EU) No 651/2014, which are also described in the Commission publication User guide to the SME Definition⁵.

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

Project activities are divided into research categories

The maximum aid intensity a company can receive depends on which research category the activities of the project are deemed to fall under. The activities of the project may also be considered to fall under several different research categories. The maximum permissible aid intensities that a company can receive

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

for research and development projects are set out in Article 25 of Commission Regulation (EU) No 651/2014. Table 1 below describes the different research categories. Table 3 then shows the maximum aid intensities.

Table 1. Classification of research activities in research and development projects⁶

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

Please note that if the company to which the Swedish Energy Agency grants aid has received or is receiving funding for the project in the form of other public aid (such as other state, regional or municipal aid), this aid must be taken into account when calculating the amount of aid the company can receive from the Swedish Energy Agency. According to the EU's State Aid regulations, the *total* public aid granted to the company for the same eligible costs may not exceed the maximum aid intensities set out in Commission Regulation (EU) No 651/2014.⁷

Amount of aid depends on the size of the company

⁶ The definitions are set out in Article 2(84–87) of Commission Regulation (EU) No 651/2014. The link is available on the call's website.

⁷ See Article 8 of Commission Regulation (EU) No 651/2014.

The maximum aid intensity that a company can receive for research and development projects also depends on the size of the company. If the applicant is a small or medium-sized enterprise, the aid intensity may be increased by 20 or 10 percentage points respectively, as set out in Article 25 of Commission Regulation (EU) No 651/2014.

Company size is determined in accordance with the rules set out in Annex I to Commission Regulation (EU) No 651/2014, which are also described in the Commission publication User guide to the SME Definition.⁸

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

Table 2. Definition of company size⁹

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

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

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

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

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

Table 3. Overview of maximum aid intensities

Type of research and development	Small enterprise	Medium-sized enterprise	Large enterprise	Non-economic activity*
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⁸ The user guide is available on the website of the Publications Office of the EU:

<https://op.europa.eu/sv/publication-detail/-/publication/756d9260-ee54-11ea-991b-01aa75ed71a1>

⁹ Commission Regulation (EU) No 651/2014, Annex 1, Article 2. The link to the Regulation is available on the call's website.

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Feasibility study	70%	60%	50%	100%
Fundamental research	100%	100%	100%	100%
Industrial research	70%	60%	50%	100%
Experimental development	45%	35%	25%	100%

*) E.g. universities and research institutes.

Supplement to aid intensities for companies

A supplement of up to 15 percentage points may be granted to companies under certain conditions when the project constitutes effective collaboration¹⁰ between companies or between companies and research and knowledge dissemination organisations, if the project concerns industrial research or experimental development. For such a supplement to be granted, certain specific conditions must be met.

In the case of collaboration between companies, at least one of the companies must be an SME, unless the project is carried out in at least two EU Member States¹¹. None of the companies may bear more than 70 percent of the eligible costs.

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

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

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

11.1 Aid for commercialisation support activities

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

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

¹⁰ Effective collaboration, as defined in Article 2(90) of Commission Regulation (EU) No 651/2014, is a collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or multiple parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration

¹¹ Alternatively, in a Member State and a country that is a contracting party to the EEA agreement.

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

Aid for costs of obtaining, validating and defending patents and other intangible assets¹² may be granted to SMEs under Section 15 of the Ordinance (2008:761) on state aid for research, development and innovation in the energy sector. To be eligible for aid, the company must satisfy the conditions set out in Article 28 of Commission Regulation (EU) No 651/2014.

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

Start-up aid may be granted to unlisted small enterprises up to five years following their registration. For companies not subject to registration, the five-year eligibility period may be considered to start from the moment when the company either starts its economic activity or is liable to pay tax for its economic activity. A company being unlisted means that the company may not be officially quoted on a stock exchange. However, the company may be listed on an alternative trading platform¹³. In addition, for start-up aid to be granted, the company must fulfil all of the following conditions:

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

However, aid for start-ups may not be granted to companies active in the primary agricultural production sector¹⁴.

11.2 Funding from organisations other than the Swedish Energy Agency

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

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

¹² The term "intangible assets" refers to assets that do not have a physical or financial embodiment such as patents, licences, know-how or other intellectual property; see Article 2(30) of Commission Regulation (EU) No 651/2014.

¹³ See Article 2(76) of Commission Regulation (EU) No 651/2014. "Alternative trading platform", as defined in Article 2(81) means a "multilateral trading facility as defined in Article 4(1)(15) of Directive 2004/39/EC where the majority of the financial instruments admitted to trading are issued by SMEs". Note that Directive 2004/39/EC has been repealed by Directive 2014/65/EU. References to Directive 2004/39/EC shall be construed as references to Directive 2014/65/EU or to Regulation (EU) No 600/2014 in accordance with Article 94 of Directive 2014/65/EU.

¹⁴ See Article 1(3)(b) of Commission Regulation (EU) No 651/2014.

another actor is not incurred by your company, but by the other actor. In other words, the cost of the other actor's in-kind contribution is not an eligible cost for your company.

Please also note that if an actor other than your company itself is to co-finance your company's costs, such co-financing may not be provided from public (state, regional or municipal) funds. This is because the total amount of public aid for the same eligible costs must not exceed the maximum aid intensities or amounts allowed under the applicable EU regulations.¹⁵ Therefore, if your company has applied for, received or plans to apply for aid from another public funding body for the same costs for which you are applying for aid from the Swedish Energy Agency, you must notify the Agency of this. This is important so as to avoid your company being obliged to repay the aid that was granted.

If your company has applied for, received or plans to apply for aid managed directly by EU institutions without the involvement of Swedish authorities (e.g. programmes such as Horizon 2020 or Cosme), you must also notify the Agency when you apply for aid from us. This is important so as to avoid a potential repayment obligation, as the total amount of aid from EU institutions and the Swedish Energy Agency for the same eligible costs must not exceed the maximum aid intensities or amounts allowed under the applicable EU regulations.¹⁶

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

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

11.3 International activities

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

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

¹⁵ See Article 8(3) of Commission Regulation (EU) No 651/2014.

¹⁶ See Article 8(3) of Commission Regulation (EU) No 651/2014.

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

12 Annex 2 – Conditions for approved projects

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

12.1 Definitions

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

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

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

12.2 § 1 General

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

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

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

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

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

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

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

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

12.4 § 3 Eligible costs

3.1 General requirements

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

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

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

3.2 Specifics on wage costs

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

wage cost shall be auditable. Time sheets shall be available upon request by the Agency.

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

3.3 Specifics on indirect costs

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

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

3.4 Specifics on consultancy costs

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

12.5 § 4 Grant disbursement

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

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

12.6 § 5 Employment relationship

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

12.7 § 6 Obligation to notify regarding funding

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

12.8 § 7 Reporting and follow-up

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

12.9 § 8 Changes to the project

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

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

12.10 § 9 Amendment of the decision

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

12.11 § 10 Right to results

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

12.12 § 11 Right to audit

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

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

12.13 § 12 Repayment of unused funds

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

12.14 § 13 Sanctions

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

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

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

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

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

12.15 Permission to make information available

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

12.16 Consent to personal data processing

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

12.17 Public document and confidentiality

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

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

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