



Directive
in accordance with § 15 and §12a of the FTFG (2024)
for the
Programme to Support the Establishment and
Operation of Christian Doppler Laboratories

ref.: 2024-0. 243.359

Approved on 05.05.2024

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Disclaimer

Every effort has been made to ensure the accuracy of this translation. Nevertheless, the Christian Doppler Research Association cannot assume responsibility for any errors that may inadvertently have occurred. In the event of any discrepancy, the German version is to be taken as valid. TRANSLATED 17.07.2024.

Original document in German:

Richtlinie gemäß § 15 i.V.m. §12a FTFG (2024) für das Programm zur Förderung der Einrichtung und des Betriebs von Christian Doppler Labors. GZ.: 2024-0.243.359, genehmigt am 05.05.2024.

In English:

Directive in accordance with § 15 and §12a of the 2024 FTFG for the Programme to Support the Establishment and Operation of Christian Doppler Laboratories. Ref.: 2024-0.243.359, approved on 05.05.2024 .

0. Preamble

The research funding programme “Support for the Establishment and Operation of Christian Doppler Laboratories” (CD Laboratories) is administered by the Christian Doppler Association (CDG) and focuses on promoting research collaborations between universities or non-university research institutions and business. The programme is addressed at application-oriented basic research, which is interpreted as research to create the scientific basis for resolving issues faced by the commercial partners. The researchers enjoy scientific autonomy in their work.

Collaboration with business partners should serve to bring fresh impulses into research and to advance research in the relevant fields, both qualitatively and quantitatively. The programme is intended to contribute to a strengthening of Austria’s potential for innovation and its international competitiveness.

The CDG has been in existence since 1988, when it was established under the name *Christian Doppler Gesellschaft* (Christian Doppler Association) in the framework of the Austrian Industry Holding (ÖIAG) as an institution to promote research. In 1993, the ÖIAG was reorganized from an industrial concern to an agency for participation and privatization, thereby necessitating a structural and conceptual reform of the CDG. A new basis for funding was created in 1995 and the Association was restructured. At the same time, financial responsibility was transferred to the Federal Ministry responsible for economic affairs (BMWA). From 1995 until 2007, the legal basis for funding was provided by the Research Organization Act (*Forschungsorganisationsgesetz*, FOG) and from 2008 the payment of support has been governed by the Research and Technology Financing Act (*Forschungs- und Technologieförderungsgesetz*, FTFG). As a result of the 2021 amendment to the Research Financing Act, the Christian Doppler Research Association became one of the national research funding agencies (§ 3 para. 2 line 2 Research Financing Act, FoFinaG) and in combination with § 12a of the FTFG the change created a new legal framework for how the CDG operates research funding programmes.

The CDG’s particular structural characteristics include

- its support from companies that perform research,
- its autonomy in all scientific matters,
- its flexible and adaptable structure and
- its longstanding experience in the culture of collaboration between science and business.

The CDG’s funding scheme has developed into an internationally recognized model for public-private partnership (PPP) in the Austrian research environment, in which the chosen legal form of a non-profit making organization (*Verein*) has proven itself over time to be highly flexible; this legal form is retained under the present legal framework.

Despite its name, the Christian Doppler Research Association is not a true research association, i.e. it does not have its own research staff. It is not a recipient of the programme’s funding but rather grants funding thanks to its role as a national research funding agency. The actual research takes place in

Christian Doppler Laboratories (CD Laboratories) established at university or non-university research institutions. The formal funding recipients are the institutions that host the CD Laboratories, herein known as the host institutions.

The programme “Support for the Establishment and Operation of Christian Doppler Laboratories” should be seen as a contribution towards the goals of the government’s RTD strategy, which foresees a closer collaboration between businesses and universities or universities of applied sciences, evidenced in a division of work in the setting of university research priorities. The level of cooperation of Austrian businesses should be further increased and strategic collaborations between science and business further strengthened. Well developed research infrastructure at universities, universities of applied sciences and non-university research institutions not only promotes first-class scientific research but also represents the basis for successful collaborations between science, business and society at large.

The CDG has always enjoyed a pioneer role in the cooperation between science and business. It developed the first programme to bridge research by businesses and academia and went on to become the model for the early programmes to establish Centres of Excellence. Its main aim has always been to couple scientific excellence with strict criteria for scientific assessment.

The Federal Ministry of Labour and Economy (BMAW) has emphasized the importance of cooperation between science and business in ensuring that Austria remains an attractive location for business and for research. It sees the CDG and the programmes run by the Association as a cornerstone of the national system for scientific innovation and a type of research funding that should be expanded. The present Directive 2024 regulates the support of the CD Laboratories and is based on the Research and Technology Financing Act (§ 12a FTFG).

The funding programme represents a collaboration between science and business, resulting in the joint financial responsibility of the participating companies (regular Members of the CDG). Top-up funding for some contractual phases of CD Laboratories comes from payments from the National Foundation for Research, Technology and Development.

1. Aims of the programme

1.1. Economic and sociopolitical goals

Within the overarching goal of all RTI funding programmes (RTD Guidelines Point 3.1.2 of the 2015 Structure RTI Guidelines) – stimulating increased research, technology and innovation activity by companies, e.g. by interactions with scientists, universities, non-university research institutions and universities of applied sciences – the following economic and sociopolitical goals are pursued:

- strengthening of application-oriented basic research;
- Intensification of knowledge transfer;
- strengthening of Austria as a business location (i.e. companies’ innovative power and competitiveness);

- strengthening of universities and non-university research institutions;
- structural improvement of the national system for scientific innovation;
- promotion of young scientists.

In line with these goals, the CDG pays special attention to the following points, which are characteristic of the programme for the CD Laboratories:

- (1) the strengthening takes place through concrete collaborations between one (or more) businesses and universities or non-university research institutions;
- (2) in these collaborations the focus is on application-oriented basic research;
- (3) collaborations are planned for periods that are long in the business context;
- (4) cooperation represents a goal in itself and is not subject to thematic restrictions or limitations from the funding organization (*bottom-up principle*);
- (5) support is provided for the establishment of small or mid-sized research groups (ca 3-20 persons) for a limited period of time to work on a research topic derived from the business partner's practical experience.

1.2. Goals in relation to the 2030 RTD Strategy and to the RTI Pact 2024-2026

The goals of the present programme are fully consistent with the government's 2030 RTD Strategy. The programme contributes to the goals listed in the 2024-2026 RTI Pact and is to be regarded as a concrete measure to reach the Pact's goals. In particular, the programme contributes to the fields of action 1.2.1 ("promotion of first-class basic research") and 1.2.2 ("supporting applied research and its effects on the economy and on society") listed in the Pact. In addition, including the CDG among the national research funding agencies (§ 3 para. 2. Line 2 FoFinaG and Point 2 of the Pact) corresponds to one of the major aims of the Pact ("reform and further simplification of the governance of research funding by implementing the Research Financing Act to ensure improved and more efficient procedures and clear structures in the collaboration between federal ministries and research funding agencies").

1.3. Operational goals

The following list of precise goals is intended to assist an effect-oriented budget management. It aims to make the goals more concrete and to connect them to indicators for assessing whether they have been reached (cf. Point 11). The programme's aim is the "collaboration and knowledge transfer from research institutions, universities and universities of applied science to business to promote the competitiveness and to build up know-how to solve research questions relating to the businesses' work" and addresses the following operational goals:

- Duration and intensity of collaboration

The programme should provide an incentive for companies undertaking research not to outsource

research in the short term, but to increase their own R&D performance through longer-term collaboration with universities or non-university research institutions and to build up a network of R&D competencies.

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- Generation of results from basic research at a high level
The programme is directed at research that tackles precise problems in application-oriented basic research. The aims are particularly served by the Head of the Laboratory's scientific freedom in allocating 30% of the resources. In principal, the bulk of the research (70%) differs only in its close proximity to the businesses' key questions, not in its goal of advancing scientific knowledge in the field.
- Research relevant to practice
The anticipated results of the basic research relate to practical questions faced by the businesses with which the Laboratory is collaborating. The selected research themes are derived from particular problems faced by businesses in a competitive environment. The issues must be to a large extent such that they cannot be solved by the mere application of existing knowledge.
- Technological leverage in the companies
The aim is to perform research to produce results that are not only made widely available (through publications) but are also of technological relevance and may be applied in the business.
- Knowledge transfer
A further aim is the exchange of technologically relevant knowledge in both directions. In addition to classical knowledge transfer from science to the private sector, it is important to transfer know-how from the business to universities and research institutions, in particular relating to an improved understanding of business research culture. In addition, the general public should be informed about the research (science communication).
- Development of human resources
The aim is to strengthen the training and career possibilities for young scientists in relation both to an academic career and to making scientific personnel available to the private sector. Support for teaching at universities should be a further indirect result (through Master's/diploma theses, doctoral theses with topics close to practical cases, professorial qualifications and the mediation of contacts to businesses).
- Business development
The goal is to use the results of the research to advance the businesses' development, improving their technological competitiveness, e.g. if the research indirectly leads to an increased number of research jobs at a business or to an intensification of the technological sector in the area researched. In this way, the published results of basic research will be indirectly associated with a strengthening of Austria as a location for business.
- Intensified international contacts

A further goal is the establishment of international research partnerships. To this aim, businesses outside Austria may participate in CD Laboratories. By the build-up of such transnational structures, Austrian businesses should gain substantial know-how and their international networking should be significantly improved. Austrian scientists should be better able to orient themselves to the worldwide level of knowledge in the field. In addition, the CDG funding model should benefit from increased international visibility and its status as best practice in the international research scene should be consolidated.

1.4. Distinction from other programmes

Both CDG funding programmes (Christian Doppler Laboratories and Josef Ressel Centres) have unique structural features that distinguish them from other research programmes because of the specific combination of the high demands on scientific quality (including the scientific freedom granted to the Heads of Laboratories), longer-term research collaborations and the direct integration of compact CDG research groups in the structures at the host institutions. In addition, governance decisions and the granting of financial support within the CDG model are accompanied by a regular and active dialogue with stakeholders in a manner that is unique in the Austrian RTI system.

In addition to its practical benefits, the combined evaluation of the CD Laboratory and JR Centre programmes in 2016 served as a clear confirmation of the independent and specific alignment of the CDG funding model for CD Laboratories and JR Centres: “In terms of research policy, the CDG’s programmes occupy an institutionalized funding niche that is highly successful precisely because of its distinction from other funding programmes. The (thematic) openness of the programmes – which already contributes significantly to their success – will continue to be important and should remain in the focus, in addition to the high demands on scientific quality.” (2016 Joint Programme Evaluation of the CD Laboratories and JR Centres, Policy Paper, p. 17)

2. Legal basis

2.1 National law

The present Directive is based on § 11 para. 2 lines 1, 3 and 5, § 12a and § 15 of the Research and Technology Funding Act (FTFG) BGBl. No. 434/1982, in the currently valid version.

The CDG’s role as a national research funding agency results from § 3 para. 2 line 2 of the Research Financing Act (FoFinaG) BGBl I No. 75/2020, in the currently valid version.

Funding based on this Directive is CDG support awarded by the CDG in its own name and for its own account. The ARR 2014, as amended by BGBl. II Nr. 190/2018 II No. 190/2018, shall apply mutatis mutandis in a subsidiary manner.

No subjective legal entitlement to the granting of funding, either in terms of the reason or the amount, has been established.

2.2 European law

Union Framework for governmental support to promote research, development and innovation (2014/C 198/01) of 27.6.2014), which applies to specific aspects of the RTI support, such as eligible costs and the distinction between commercial and non-commercial activities of research institutions.

3. Duration

The Directive came into force on 01.01.2024 and will extend until 31.12.2026; the funding programmes based on the Directive are in operation for this period. Applications in accordance with the Directive may be submitted continuously. Funding decisions are to be taken by 15.12.2026.

4. Types of projects (individual projects that may be funded)

The funding programme distinguishes following types of projects:

- Christian Doppler Laboratory (CD Laboratory), including any external modules (Point 4.1)
- Christian Doppler Pilot Laboratory (CD Pilot Laboratory) (Point 4.2)
- International CD Laboratory (Point 4.3)
- International module of a CD Laboratory (Point 4.4)
- Collaboration with non-Austrian commercial partners in a CD Laboratory (Point 4.5)

The fourth and five bullet points do not relate to distinct types of projects but expand CD Laboratories by the inclusion of collaborations beyond the national border.

4.1. Christian Doppler Laboratory (CD Laboratory)

CD Laboratories represent the main form of individual initiative to receive support. They are operative research units established at Austrian universities or extra-university research institutes for the purpose of reaching the goals of the funding programme. The commercial partners may be Austrian businesses or foreign businesses.

Duration	7 years: 2-year introductory phase 3-year first phase of extension 2-year second phase of extension
Min. annual budget	EUR 140.000
Max. annual budget	EUR 800.000
Financing from public purse	50 % of eligible costs 60% if SMEs are involved (in proportion to involvement)
Nature of research	Application-oriented basic research with 30 % scientific freedom
Allocation of research in accordance with state aid and funding laws	≥ 30% basic research ≤ 70% industrial research 0% experimental development

4.1.1. Principle of the laboratory unit

Irrespective of the nature of their financing, CD Laboratories form a unit throughout their various contractual phases and over their various locations.

4.1.2. Project contents (responsibilities of the CD Laboratory)

CD Laboratories are comprised of small to medium-sized research groups (ca 3-20 persons) under the leadership of highly qualified scientists who work at a university/research institution to work on questions raised by the commercial cooperation partner. The emphasis should be on application-oriented basic research. The goal of producing results by high quality basic research to advance the relevant scientific field is particularly relevant to the “30 % scientific freedom” in the CD Laboratories’ research programme. The results of this basic research should be published in an appropriate way. The other research results should be published without undue delay and in a manner that takes account of the commercial partner’s commercial interests (e.g. in patenting).

4.1.3. Project structure

A CD Laboratory may be subdivided for scientific, personnel, thematic, topical or organizational reasons. The existence of an external or international module necessitates an organizational subdivision. An external module is part of a CD Laboratory located at a different university/research institution in Austria from the one hosting the Laboratory or at an Austrian university of applied sciences; an international module is part of a CD Laboratory located at a different university/research institution outside Austria from the one hosting the Laboratory. The duration of an external module or an international module is limited to the date of conclusion of the CD Laboratory.

Structuring of a CD Laboratory represents a flexible and variable form of organizing the work. It makes it easy to make changes while the CD Laboratory is running, such as extending, amending or reducing the topics, including new commercial partners or parting company with existing partners or discontinuing an external module or an international module. Such changes are to be treated formally as alterations to the funding contract (Concrete agreement with the host institute, Point 9.1.2, cf. Points 4.1.6 and 9.4) and require the agreement of the appropriate organs of the CDG.

4.1.4. Head of Laboratory

It is envisioned that each CD Laboratory will be led by a single Head of Laboratory. In particular cases, which require justification, two persons may perform the function jointly. No person may head more than one CD Laboratory. Ideally, the Head of the Laboratory will already have completed, or anticipate soon completing, his or her professorial qualifications ("Habilitation"). The CD Laboratory is intended to enable scientists to set up their own research group and expand their international standing in science. CD Laboratories thus promote scientific careers.

The Head of Laboratory must have a valid contract of employment with the funding recipient. To ensure that the partners in the CD Laboratory remain independent from one another, no forms of interdependency of the Head of Laboratory or of the funding recipient with the commercial partners are permitted. For example, it is not permitted for the Head of the Laboratory to be employed even part-time by a commercial partner, nor may she or he be otherwise in a position to exert an influence on the business management or to have a commercial stake in the business.

The funding recipient must ensure that there are appropriate measures in place to enable the Head of the Laboratory to conclude legal contracts on behalf of the funding recipient (if the 2002 Universities Act is applicable, in accordance with § 28 together with the responsibilities arising from funding in relation to § 27 para. 1 point 2).

The Head of the Laboratory receives an honorarium at a level set by the CDG Executive Board (cf. Point 5.3.1 in relation to the honorarium for Heads of Laboratories) for leading the Laboratory.

A change to the Head of Laboratory requires agreement of the funding agency following the recommendation of the appropriate evaluation committee.

4.1.5. Integration in the organization of the funding recipient

An essential basis for the establishment of a CD Laboratory is a funding contract (Concrete agreement with the host institution) between the funding recipient and the CDG (cf. Point 9.1.2).

This Contract must stipulate that the funding recipient must undertake to incorporate the CD Laboratory, which is under the responsibility of the Head of the Laboratory, into its organization in an appropriate manner. In doing so, it must ensure the operational independence of the Head of the Laboratory.

Unless otherwise specified in the following sections (in particular Point 5.3), the funding recipient's infrastructure is to be made available to the CD Laboratory to the extent necessary for the Laboratory to meet its responsibilities and without incurring additional charges.

4.1.6. Changes to an existing CD Laboratory

The organization of CD Laboratories is sufficiently flexible to permit changes to an existing CD Laboratory. For example, Laboratories may extend the scope of their research work, expand financially or in a structural way or reduce their size of the CD Laboratory, include new commercial partners or part company with existing commercial partners or establish or discontinue an external module or an international module. Any such changes are formally considered to represent amendments (cf. Point 9.4) to the funding contract (Concrete agreement with the host institution, Point 9.1.2) and require a recommendation from or the approval of the appropriate organs of the CDG (Points 7.1. or 7.5).

4.2. Christian Doppler Pilot Laboratory (CD Pilot Laboratory)

Christian Doppler Pilot Laboratories represent a special form of the introductory phase of CD Laboratories. An application for establishment of a (regular) CD Laboratory (in accordance with Point 4.1) may be approved in this form if the primary reason for not approving the establishment of a regular CD Laboratory is that the topic to be studied is associated with a high level of risk and/or there are doubts about the suitability of the Head of the Laboratory, although he or she is not clearly unsuitable. In any event, there must be sufficient scientific value to the topic and sufficient sociopolitical interest in research in the area to justify the establishment of a CD Laboratory.

Duration	2 years After which possible conversion to a regular CD Laboratory (in the stage of the first phase of extension)
Min. annual budget	EUR 140.000
Max. annual budget	EUR 700.000
Financing from public purse	50 % of eligible costs 60 % if SMEs are involved (in proportion to involvement)
Nature of research	Application-oriented basic research with 30 % scientific freedom
Allocation of research in accordance with state aid and funding laws	≥ 30% basic research ≤ 70% industrial research 0% experimental development

Christian Doppler Pilot Laboratories are more closely monitored by the CDG. There are no differences from regular CD Laboratories in terms of budget and organization (except for the maximum annual budget). Generally the evaluation takes place at an earlier date and takes into account the special requirements (and, if appropriate, conditions) and clarifies whether conversion to a regular CD Laboratory is possible and appropriate.

4.3. International Christian Doppler Laboratory (located abroad)

CD Laboratories may also be established at universities/research institutions abroad.

4.3.1. Preconditions

- Requirement for scientific expertise: The scientific expertise required to study the commercial partner's topic is not available within Austria or its quality within Austria is not appropriate.
- Value for Austria as a location, either economically or scientifically: The topic is of economic or public interest to Austria. It can be plausibly shown that the particular project will benefit Austria as a commercial venue (e.g. by presenting the expected knowledge gain for the Austrian private sector) or science in Austria (e.g. by planned collaborations with Austrian research institutions).
- Commercial partner: The commercial partner can demonstrate sufficient added value and research expenditure within Austria.
- Funding recipient: The funding recipient is prepared to accept the legal framework associated with a CD Laboratory and to make information available to Austrian authorities or persons delegated by them.

As far as possible, the organizational structure of CD Laboratories abroad should be based on the organizational form of CD Laboratories within Austria. The provisions regarding duration, extent of research, evaluation and budgetary levels are the same as those for CD Laboratories in Austria.

4.3.2. Collaboration between non-Austrian companies and International CD Laboratories

It is not the aim of the programme to support research at non-Austrian universities/research institutions in collaboration with non-Austrian businesses. Nevertheless, non-Austrian businesses may collaborate (with a status comparable to that of Austrian businesses) provided that such collaborations are in the interest of the Austrian partners and that any financial support required is made available from a funding organization outside Austria.

4.3.3. Quota for International CD Laboratories

A maximum of 15 % of the programme's operational funding is available for International CD Laboratories within one financing period (financing agreement § 7 FoFinaG).

4.4. International module of a CD Laboratory

CD Laboratories may choose to operate one or more of their modules outside Austria. The preconditions are analogous to those for an International CD Laboratory and must be verified during the establishment of a CD Laboratory or if a new module is to be added to an existing CD Laboratory. An independent

Head of Module should be appointed at the site. An international module may not continue to operate beyond the end of the CD Laboratory's period of operation (cf. Point 4.1.3). These provisions also apply if an existing external module is relocated abroad.

4.5. Participation of non-Austrian businesses in a CD Laboratory in Austria

It is possible for foreign businesses to participate in a CD Laboratory that is situated in Austria. The precondition is that there is:

- Value for Austria as a location for business or research: The topic is of economic, scientific or public interest to Austria. It can be plausibly demonstrated that the particular project will benefit Austria as a commercial venue (e.g. by presenting the expected knowledge gain for the Austrian economy) or science in Austria (e.g. by planned collaborations with Austrian research institutions).

4.6. Special measures to promote early-stage researchers and female researchers in CD Laboratories

The programme has a number of additional measures to promote early-stage researchers in CD Laboratories, particularly in the areas of MINT (mathematics, informatics, natural sciences and technology) and to address the broader goal of enhancing the career prospects of female researchers. Some of the measures are explicitly aimed at promoting equality and eliminating discrimination against female researchers.

4.6.1. CDG Internship

Students enrolled in a Master course should have the opportunity to work as student assistants for three months in a CD Laboratory, including if possible a month at one of the Laboratory's commercial partners. This should win them over to the idea of embarking on a research career. The focus should be very much on their education. The CDG should agree on the selection procedure and the legal provisions with the funding recipients (host institutions). The measure will be implemented as part of the funding of CD Laboratories. Students who perform a CDG Internship should be remunerated at a level commensurate with the pay of the Laboratory's regular staff.

4.6.2. Head of Laboratory endowed by the CDG

If a female Head of Laboratory does not have a valid contract of employment with the funding recipient and if the lack of financing for her employment represents the only reason why a request for support for establishment of a CD Laboratory cannot be granted, in particular cases 50% of her personnel costs for the first four years of the duration of the CD Laboratory may be eligible for funding. During the lifetime of the Laboratory the university/research institution must find a way to employ and remunerate the Head of the Laboratory.

5. Type and extent of support and costs that may be covered

5.1. Type of financing

Support is payable in the form of non-refundable subsidies.

5.2. Extent of financing

The level of financing is determined by the financial requirements. The following rates and upper limits apply:

5.2.1. Financing of CD Laboratories, CD Pilot Laboratories and International CD Laboratories and of external/international modules of a CD Laboratory:

- 50 % of eligible costs;
- 60 % of eligible costs if there is collaboration with SMEs, in proportion to the extent of this collaboration (cf. Point 4.1).

The absolute upper limit for the annual Laboratory budget is EUR 800.000 per year (EUR 700.000 per year for a CD Pilot Laboratory).

5.3. Eligible costs

Eligible costs include all expenditure and costs that result directly, actually and in addition (to the normal operational costs) for the duration of the project supported.

5.3.1. Personnel costs

Costs for scientists, technicians and others are eligible, provided they are employed at the university or research institution and directly assigned to the research undertaking. Staff costs that represent a proportion of the Host's administrative costs are not eligible.

As national research funding agency, the CDG will continue to apply and continuously adjust the scheme of personnel costs used to calculate the level of personnel costs eligible for support. The basis for the salary scale is provided by the currently valid Collective Contract for staff at Austrian universities or any other applicable collective contracts (e.g. collective contracts for non-university research institutions). In the second instance, the scheme of personnel costs of the Austrian Science Fund (FWF) may be used as a basis.

Deviations from the scheme of personnel costs are possible in specially justified cases, taking particular features of the labour market into account, if they are essential to ensure that the research is of high quality. In each case, the approval of the CDG Executive Board and the agreement of the representative of the BMAW is required beforehand. No components of the salary that are voluntary and not foreseen

in the currently valid Collective Contract for the staff of the university or the research institution are eligible for support.

Apart from the exceptional circumstances covered in Point 4.6.2, no personnel costs may be paid to the Laboratory Head (cf. Point 4.1.4). Instead, an honorarium for heading a Laboratory may be included, the level of which is determined by the CDG Executive Board. Additional voluntary payments to the Laboratory Head that are not compulsory as a result of the collective agreement in force at the university/research institution are not eligible for support from the CDG. This provision applies analogously to the Heads of external and international modules.

5.3.2. Costs for fixed assets (inventory) as defined by the UGB

The Austrian Business Enterprise Code (UGB) defines fixtures (inventory items) as objects with a purchase price that exceeds the limit for low-value assets in force at the time, excl. VAT, and that are intended to form a lasting part of the CD Laboratory's business or research equipment. The purchase costs of such items are eligible for support if the equipment is necessary or advantageous for the operation of the CD Laboratory, if it is in operation and continuously devoted to particular scientific work of the CD Laboratory during the period of the Laboratory's operation.

The following costs relating to fixtures are eligible for support:

- the purchase costs for fixtures in the sense of the UGB, i.e. items of equipment and software licences with a purchase price that exceeds the limit for low-value assets in force at the time, excl. VAT (including the costs of transport, installation and any necessary adaptation)
- the costs for the purchase or adaptation of special infrastructure that is directly related to the CD Laboratory

In the event of the premature termination of the CD Laboratory, the funding recipient shall be obliged to refund to the funding agency the proportion of the residual value that was covered by the public purse. In addition, in the event that the CD Laboratory is transferred to another host institution, the funding recipient shall be obliged to relinquish to the new host the equipment that supports the operation of the CD Laboratory, insofar as it is required for the CD Laboratory's continued operation.

Costs of basic infrastructure are not eligible unless they relate directly and technically to the research undertaking. Costs for buildings and premises are not eligible.

5.3.3. Hire-purchase costs

The funding recipient's costs for the hire-purchase payments to cover fixtures (inventory items) in the sense of the UGB (Austrian Business Enterprise Code) are eligible, not including any interest, taxes or hire-purchase fees. The provisions governing the purchase of fixtures (inventory items) are to be applied by analogy.

5.3.4. Material costs that do not represent fixed assets

The following material costs that do not represent fixtures are eligible, provided the items are used for the research undertaking:

- low-value assets (items with a purchase price that does not exceed the limit for low-value assets in force at the time, excl. VAT)
- acquisitions with a purchase price that exceeds the limit for low-value assets in force at the time, excl. VAT, but that are not intended to be used permanently for the CD Laboratory's business or research (e.g. non-durable parts for the use of equipment)
- materials and consumables.

5.3.5. Costs for third-party services

Costs for third-party services necessary or beneficial for the research undertaking are eligible, in particular:

- acquisition of research or advisory services
- sample preparation, external measurements and material tests
- special IT services
- maintenance, repair, installation and modification of facilities and equipment in the CD Laboratory
- pro rata costs for the use of special infrastructure or for increased operating costs from measures associated with the purchase or adaptation of special infrastructure
- costs for additional space necessary for the establishment and operation of the CD Laboratory, up to a limit of 3 % of the actual staff costs

The costs of the commercial partners are generally not eligible for support. Under exceptional circumstances, however, such costs may be deemed eligible, e.g. if there is no technically or economically justifiable alternative for preparing samples. In each case the CDG Executive Board will decide whether an exception is justified. On no account may any profit derived by the commercial partner be eligible for support.

5.3.6. Travel costs

Travel costs from persons immediately involved with the CD Laboratory's research work are eligible, in accordance with the valid guidelines for reimbursement of travel costs at the host university. In a subsidiary manner, and in the case of non-university research institutions, travel costs are eligible to the extent that they can be defined as business expenses in accordance with the Austrian Income tax law (EStG).

Costs for attendance of conferences and other scientific events are eligible if it can be shown that participation serves to present the CD Laboratory's research results (lecture, poster, publication in proceedings) or to provide Laboratory staff with knowledge necessary or appropriate for the research project (building up expertise within the CD Laboratory).

5.3.7. Other costs

Other running costs of the CD Laboratory are eligible, in particular the costs of

- scientific literature and journals, access to online media etc.
- workshops organized by the CD Laboratory, lectures by visiting scientists, presentations

Costs for the buildup of reserves and savings are not eligible.

5.3.8. Value added tax

The eligibility for funding of any value added tax (VAT) paid is governed by the principles of the provisions of § 33 of the 2014 General Directive for the Award of Federal Funding (ARR).

6. Funding recipients

Funding recipients may be:

- Austrian universities in accordance with § 6 of the 2002 Universities Act (represented by the intended Laboratory Head or the head of the host institution, in accordance with § 28 and 27 para. 1 point 2 of the 2002 Universities Act), as well as the Danube University Krems
- non-university research institutions in Austria (including the non-university institutes of the Austrian Academy of Sciences and comparable scientific establishments but not colleges of higher education)
- private universities in Austria (support granted in accordance with Point 4 is considered as “State payments for publicly advertised programmes for research, technology, development and innovation” in the sense of § 5 para. 1 of the Private Universities Act)
- non-Austrian universities and extra-university research institutions
- Austrian universities of applied sciences in accordance with § 2 (1) of the Universities of Applied Sciences Act, in connection with the establishment of an external module (Point 4.1.3)

The companies collaborating with the funding recipient are not themselves funding recipients but instead generally contribute 50 % of the funds that are channelled into the research institution. To guarantee the long-term economic relevance of the research they have an immediate influence on the choice of topic and enjoy priority access to the results (in particular to the inventions), provided that the principles of this Directive do not require them to be made public. In this way, funding from the public purse is of immediate benefit to the universities/research institutions and of indirect benefit to the collaborating businesses and the participating scientists.

7. Basic principles of the procedure

7.1. Evaluation committee

Responsibility for the evaluation of applications for support is delegated to the CDG Scientific Board. Within the Scientific Board, individual commissions implement the programmes: the CD Commission is responsible for assessing applications in relation to CD Laboratories, while the JR Commission is responsible for assessing applications in relation to JR Centres.

7.1.1. Breakdown and composition of the evaluation committee

The size and composition of the evaluation committee (Scientific Board) are regulated by the CDG (in the CDG Statutes). The Association should ensure that the Board is appropriate to the programmes and has the necessary scientific expertise. To guarantee the scientific expertise in the light of the wide variety of topics in which applications are expected (the choice of topic is completely open) and the resulting challenge of ensuring that the assessment procedure is fair, the Board should have a sufficient number of members.

The Commissions act on their own account and independently of one another. They take decisions based on their expertise in accordance with the Handbook for Evaluation (Point 7.6.1), using the agreed assessment criteria (Point 7.3) and following the agreed procedure (Point 7.4) and are guaranteed scientific independence. The Federal Ministries represented on the CDG Executive Board may nominate delegates to attend the meetings of the Commissions of the Scientific Board; these delegates have no voting rights. The rules of procedure of the Commissions (including provisions relating to taking decisions by circulation procedure) are set out by the CDG.

7.1.2. Appointment of the evaluation committee

Members of the evaluation committee are appointed by the CDG Executive Board with the agreement of the representative of the Federal Ministry for Labour and Economy.

7.2. Applications (submission of requests for funding)

7.2.1. Applications

Requests for funding must be submitted in accordance with the application procedure and are to be made in writing to the CDG, following the Guidelines for the establishment of a CD Laboratory. The procedure enables applications for funding to be placed at any time; there are no calls for applications or cut-off dates.

An application must contain at least:

- designation of the applicant, including contact details and details that ensure his or her identity
- detailed description of the research project (status of research, approaches to the problem, planned work, development of the underlying science)
- research plan, time plan and cost plan (in detail for the initial two years of research, in overview for the subsequent years)
- information on the available infrastructure (space, equipment) foreseen for the CD Laboratory (or for the spatially separated external/international module of the CD Laboratory)
- documentation relating to the planned Laboratory Head to enable an assessment of his or her scientific qualifications
- evidence that the person planned to head the Laboratory is authorized to represent the funding recipient (or a statement of intent on the part of the applicant for funding)
- information on the commercial partners
- any contracts for collaboration that are in place
- declaration of the applicant that no other funding has been received or requested from the public purse, including EU sources, for the research work described in the application, even if it is earmarked differently.

The CDG offers information and advice in advance of the formal submission of an application. Applications may be withdrawn at any time and may be modified following an invitation from the CD Commission to improve or rework them.

7.2.2. Initial check

Applications will be submitted to a formal check by the CDG (the General Secretariat) and forwarded to the CD Commission, which is entrusted with the scientific assessment. Applications that contain formal errors will be returned for correction. If there is any doubt whether formal criteria have been met, the CDG Executive Board will decide.

7.3. Assessment and decision-making criteria

Two aspects are primarily considered in assessing whether an application merits funding:

- (1) scientific quality of the research undertaking described in the application;
- (2) scientific qualifications of the person foreseen to head the Laboratory and his or her ability to lead a research group.

7.3.1. Scientific quality of the application

The scientific quality of an application is assessed according to the following criteria

- Is the research programme at a high scientific level as measured by international standards?

- Are the overall aims clear and realistic?
- Will the results advance the state of basic research in the scientific discipline?
- Is the theoretical background adequately described?
- Does the planned methodology show a high chance of success?
- Are the planned academic collaborations adequate?
- Are any aspects of diversity relevant to the research project and, if so, have they been appropriately addressed?
- How would you assess the collaboration with the commercial partners?
- How do you judge the level of technical innovation in the proposal?
- How would you assess the possible impact of the results on the businesses /the non-academic sector?
- How do you judge the economic or public interest in the research topic?
- Are the intended resources sufficient and well focussed?

7.3.2. Scientific qualifications of the Head of the Laboratory

The assessment of the qualifications of the Head of the Laboratory is based on the following criteria

- How high is the international scientific standing of the Head of the Laboratory (based in particular on publication activity)?
- Does the future Head of the Laboratory have sufficient knowledge of the scientific discipline (in particular, does he or she have a *Habilitation* in a relevant discipline, is he or she working towards a *Habilitation*, or does he or she have comparable qualifications)?
- Does the future Head of the Laboratory have experience leading scientific projects (e.g. projects funded by the FWF)?
- Is he or she suitable to head a group of scientists?
- Does he or she have an appropriate position in the organization applying for funding and is he or she sufficiently well integrated in this organization?
- Are there any personal or organizational factors that could hinder the operation of a CD Laboratory?

7.4. Assessment procedure

7.4.1. Applications to establish a CD Laboratory

After the initial formal check by the General Secretariat (in accordance with Point 7.2.2), the CD Commission undertakes the scientific assessment of the application based on , in general, three reviews from external international experts (peer review). In exceptional cases, decisions may be taken on the basis of only two reviews. The assessment criteria should be transmitted to the external referees, e.g. in the form of a standard list of questions. To be sent for external review, an application must reach a

certain minimum standard of quality: the CD Commission will take a separate decision in accordance with Point 7.4.4 line 1 on whether the required level is reached, and external reviews should be requested.

A positive recommendation for funding requires a hearing in which the person designated to head the Laboratory has the opportunity to present the research undertaking to the CD Commission. In accordance with Point 7.4.4, Z.2 the CD Commission decides whether to invite the applicant to a hearing based on a discussion of the external reviews. At the conclusion of the evaluation procedure, the CD Commission decides which recommendation to make to the CDG Executive Board, in accordance with Point 7.4.4 lines 3 to 6.

7.4.2. Applications to establish an International CD Laboratory or a CD Laboratory with International modules

In principle, the procedure is the same as that in Point 7.4.1. However, the assessment must also consider the scientific aspects of the preconditions for an International CD Laboratory (cf. Point 4.3) or an International module (cf. Point 4.4).

7.4.3. Applications for amendment to a CD Laboratory

Assessment is the responsibility of the CD Commission, which may decide to obtain an evaluation from an external referee. If the amendment would cause the Laboratory budget to rise by more than 40 % of the current budget, an evaluation from an external referee is required before the CD Commission may decide upon its recommendation to the CDG Executive Board. There will generally not be a fresh hearing with the Head of the Laboratory.

7.4.4. Decisions of the CD Commission

Following its assessment, the CD Commission may decide

- to initiate the external review procedure
- to invite the applicant to a hearing before the CD Commission
- to recommend funding (perhaps with particular terms or conditions or with certain recommendations)
- to recommend funding in the form of a CD Pilot Laboratory (perhaps with particular terms or conditions or with certain recommendations)
- to return the application to the applicant for improvement and reworking
- to recommend rejecting the application

In each case, the recommendation is addressed to the CDG Executive Board, which is responsible for the final decision.

7.5. Decision-making process

7.5.1. Requests to establish a CD Laboratory

The CDG Executive Board takes the decision on whether to grant support in its own name. A positive decision requires the approving vote of the representative of the Federal Ministry of Labour and Economy on the CDG Executive Board (the government enjoys a veto right).

The decision is taken on the basis of the CD Commission's recommendation. The eligibility for funding and the desirability from the point of view of science policy are also taken into account, as is the availability of the necessary funding.

7.5.2. Decision of the CDG Executive Board

The CDG Executive Board may decide

- to grant funding (where appropriate with particular terms or conditions or with certain recommendations)
- to grant funding in the form of a CD Pilot Laboratory (where appropriate with particular terms or conditions or with certain recommendations)
- to return the application to the CD Commission for further consideration
- to reject the application

Decisions are communicated to applicants in writing. If applications are rejected or returned to the CD Commission for further consideration, the applicants should be notified of the most important reasons for the decision. The further procedure is subject to Point 9.3.

7.5.3. Granting of funding

If the CDG intends to grant funding, it will address a written offer of financing to the applicant. A funding contract (cf. Point 9.1.2) comes into force when the applicant gives written acceptance of the offer. The applicant is to be made aware that the offer of financing, together with any terms or conditions, must be accepted within a reasonable and defined period of time or it will be deemed to have been withdrawn.

7.5.4. Data Protection

Funding applicants acknowledge that the CDG is authorised to process the personal data arising in connection with the initiation and execution of the funding agreement if this is necessary for the conclusion and execution of the funding agreement, for control purposes and for the performance of legally assigned tasks.

Funding applicants also acknowledge that the CDG is entitled to collect the personal data required to assess whether the conditions for funding have been met and to check the proof of use, in addition to

the information provided by the applicants themselves, by making enquiries with the other relevant federal bodies or with another legal entity that grants or processes the relevant funding, or with other third parties, and to transmit this data to them, whereby these in turn are entitled to process the personal data required for the enquiry and to provide information. Furthermore, transparency portal enquiries are possible in accordance with § 32 Para. 5 TDBG 2012.

7.6. Evaluation handbook and Guidelines

7.6.1. Evaluation handbook

The CDG should include information on the procedure for evaluation, the process of checking and establishing whether the assessment and decision-making criteria have been met and the external peer review in an evaluation handbook. The evaluation handbook must be approved by the Federal Minister of Labour and Economy.

7.6.2. Guidelines

The CDG should describe the assessment and evaluation criteria in more detail in a set of guidelines for applicants.

8. Procedure for contract extension

8.1. The first phase of extension

A positive evaluation in accordance with Point 12.2.2 is absolutely required before the CDG may decide to grant an extension of three years to its support (the first phase of extension) beyond the introductory phase. In the course of the evaluation, the funding recipient must make available to the CDG an evaluation report containing information on the research undertaken to date and its results, along with a research plan, time plan and cost plan for the future research.

In accordance with Point 12.2.1, the external referee chosen by the CD Commission prepares a written report based on the evaluation meeting and the evaluation report and submits it to the CD Commission.

The CD Commission's recommendation is based on

- the evaluation report
- the research plan, time plan and financial plan presented by the funding recipient (in detail for the third to fifth years of research, in overview for the remaining years)
- the results of the evaluation hearing
- the evaluator's review

When assessing a CD Pilot Laboratory, the evaluation should take account of the conditions that led to the choice of this particular form of support.

8.1.1. Decisions of the CD Commission

The CD Commission may decide

1. to recommend continuation of funding for the CD Laboratory (perhaps with particular terms or conditions or with certain recommendations)
2. to recommend conversion of a CD Pilot Laboratory to a regular CD Laboratory in the first phase of extension (perhaps with particular terms or conditions or with certain recommendations)
3. to solicit a further review by an external referee
4. to recommend rejection of the request for extension of the CD Laboratory, coupled with the approval of a phasing-out period
5. to recommend rejection of the request for extension of the CD Laboratory

The recommendations are addressed to the CDG Executive Board, which is responsible for the funding decision.

8.1.2. Decision of the CDG Executive Board

The decision on the extension will be taken by the CDG Executive Board based on criteria analogous to those applied in decisions on applications to establish CD Laboratories. A positive decision requires approval of the representative from the Federal Ministry of Labour and Economy on the CDG Executive Board (the government enjoys a veto right).

The CDG Executive Board may decide

1. to extend the funding of the CD Laboratory (perhaps with particular terms or conditions or with certain recommendations)
2. to convert a CD Pilot Laboratory to a regular CD Laboratory in the first phase of extension (if applicable with particular terms or conditions or with certain recommendations)
3. to return the application to the CD Commission for further consideration
4. to reject the request for extension of the CD Laboratory but to grant funding for a phasing-out period
5. to reject the request for extension of the CD Laboratory

Decisions, together with any terms, conditions and recommendations, are to be communicated to applicants in writing. If applications are rejected, the applicants should be notified of the most important reasons for the decision.

8.2. The second phase of extension

A positive evaluation in accordance with Point 12.2.2 is required before the CDG may grant an extension of two years beyond the first phase of extension (the second phase of extension). The provisions relating to the procedure for the first phase of extension should be applied analogously.

9. Funding contracts and regulations relating to changes

The contracts to be concluded in relation to funding are arranged in a hierarchical structure and together regulate the organization of CD Laboratories.

9.1. Types of contract

In relation to the establishment, operation and financing, contracts are concluded with the funding recipients (host institutions) of CD Laboratories, both at the general level (General agreements with the host institution, containing conditions for all CD Laboratories and modules at the university or research institution) and at the particular level a funding contract (Concrete agreement with the host institution for individual CD Laboratories). If a module is to be established, the CDG will make available a contract to be concluded between the funding recipient for the CD Laboratory and the institution that is to host the module. The following types of contract may be distinguished:

9.1.1. General agreement with the host institution (*Generelle Betreibervereinbarung*)

A General agreement with the host institution is concluded between the CDG and the funding recipient (host institution). It contains general provisions that govern all CD Laboratories at the funding recipient:

- the relationship between the funding recipient and the CDG (as association and funding provider in its own name)
- the use of equipment funded by the CDG
- IPR regulations
- responsibilities to the CDG from the relationship host institution – commercial partner (member of the Association)
- responsibilities to the National Foundation for Research, Technology and Development (in the case of CD Laboratories funded by the Foundation) or, if appropriate, funding providers other than the Federal government.

9.1.2. Concrete agreement with the host institution (funding contract) (*Konkrete Betreibervereinbarung*)

A Concrete agreement with the host institution is concluded between the CDG, in its own name, and the funding recipient (host institution). It regulates the establishment and running of a particular CD Laboratory and includes all provisions not contained in the General agreement with the host institution,

e.g. research plan, time plan and cost plan. If the CDG has not (yet) concluded a General agreement with the host institution, the Concrete agreement with the host institution must contain all necessary provisions pertaining to support.

In addition to the research plan, time plan and cost plan for the research work to be financed, the Concrete agreement with the host institution must include any responsibilities resulting from the programme, particularly all matters listed under Point 9.2.2.

9.1.2.1 Preconditions for the granting and payment of funding

The granting of funding is contingent on the observance of the sense of the conditions given in § 24 para. 2 of the 2014 General Directive for the Award of Federal Funding (ARR). Payments to the funding recipient are subject to the sense of the provision of § 43 of the 2014 ARR.

In order to prevent unwanted multiple or double funding, the CDG carries out a personalised query from the transparency database in accordance with Section 32 (5) TDBG 2012 before granting funding.

9.1.2.2 Cessation and repayment of funding

The funding recipient must be required – while the CDG retains the right to make additional legal claims, in particular for repayment of support according to § 30b of the Federal Act on the Employment of Foreigners, AuslBG – to repay the support immediately on demand from the central funding agency if the agency has justifiable grounds to demand repayment. The right to financial support that has been allocated but not yet disbursed elapses if in particular

1. bodies or delegates of the government or the European Union are informed falsely or incompletely about critical points,
2. the funding recipient fails to provide the necessary reports, does not submit documents or does not give necessary information, provided that a written demand has been issued, giving an appropriate deadline for receipt and explicitly mentioning the legal consequences of failure to comply with the request; or fails to provide other information foreseen in the present Directive,
3. the funding recipient does not immediately and on his or her own initiative – in any case before a control or notice of a control – report events that could delay the performance of the research, make it impossible or require its amendment. Before the regular termination of the funded project or within a period of three years after its conclusion the funding recipient ceases dealing or is sold,
4. the funding recipient hinders the control measures foreseen or the entitlement to take up the funding can no longer be verified within the time limit foreseen for the retention of documentation,
5. the funding recipient has partly or entirely used the financial support provided in ways that are incompatible with the purpose for which it was supplied,
6. the funding recipient cannot or did not undertake the work, or could/did not do so on time,
7. the funding recipient has not observed the ban on relinquishment, allocation, pledging or other form of instruction in accordance with the sense of § 24 para. 2 line 11 of the ARR,
8. the business receiving support has not observed the provisions of the Federal Act on Equal Treatment,

9. the Federal Act on Equal Opportunities for People with Disabilities or the ban on discrimination in accordance with § 7b of the Federal Employment Act has not been observed,
10. European Union bodies demand the withholding and/or the repayment of support or
11. the funding recipient fails to observe other preconditions for funding, or terms or conditions are not observed, particularly those intended to ensure that the research meets its purpose.

Instead of a complete repayment of support, under certain circumstances the CDG can impose a partial block on payments or demand a partial repayment if

1. the responsibilities taken on by the funding recipient can be subdivided and the part of the work that has been performed is eligible for support on its own,
2. the funding recipient is not at fault for the demand for repayment and
3. the funding agency can reasonably be expected to adhere to the funding contract.

Interest payments on the amount to be repaid from the date when payment was made are to be agreed at the rate of 4% (compound interest). If this rate is below that laid down by the European Union for reclaimed payments, the European Union rate will apply.

In the case of delays in repayment, default interest will be agreed. If payments from the commercial partner are delayed and the commercial partner is at fault for the delay, they will be charged at 9.2 percentage points above the appropriate basic rate per year from the start of the delay, otherwise at 4 percentage points above the appropriate basic rate, at least at 4%. The basic rate applicable on the first calendar day of a half-year period is taken to apply for the entire half-year.

According to § 25 ARR 2014, the granting of funding whose beneficiary is a third party (i.e. a commercial partner of a CD Laboratory) is conditional on the prerequisite that prior to the conclusion of the funding agreement, this third party verifiably assumes joint and several liability (§ 891 ABGB) for the repayment of the funding, if a justification for repayment has been triggered. This liability relates exclusively to funding that benefits CD laboratories in which the company is or was participating and is limited to the relative share of the company's participation in the CD laboratory.

9.2. Sample contracts

The CDG will prepare sample contracts for the agreements listed under Point 9.1. The sample contracts will be accorded with the appropriate departments in the BMAW.

9.2.1. General agreement with the host institution (*Generelle Betreibervereinbarung*)

In accordance with Point 9.1.1, the sample contract for general agreements with the host institution aims to provide common regulations for all universities within Austria and, as far as possible, for non-university research institutions that host CD Laboratories or plan to apply to do so. In particular, the general agreements with the host institutions should apply the tried and tested model for regulating IPR and should continue to ensure that the relationship between the collaboration partners' contributions and their rights to exploit the findings are balanced and conform to EU regulations on state aid.

9.2.2. Concrete host agreement (funding contract) (*Konkrete Betreibervereinbarung*)

In accordance with Point 9.1.2, the funding contracts (concrete host agreements) are based on the following structure and regulate the following points, either directly or implicitly:

1. designation of the legal framework,
2. designation of the funding recipient,
3. start and duration of the funding,
4. type and level of funding,
5. exact description of the project that is funded (object of the funding),
6. eligible and ineligible costs,
7. deadlines for the implementation of the funded project and for the submission of reports,
8. conditions for payments,
9. auditing and participation in evaluations,
10. provisions for the cessation and repayment of the financing (see Point 9.1.2.2),
11. other contractual provisions to be agreed and
12. any special conditions attached to the funding that relate to the peculiarities of the project to be financed and that ensure that the financial support is only spent at the level necessary to ensure that the goals are attained,
13. conditions for applications for follow-up projects or for extensions.

9.3. General conditions for funding

In place of the general agreements with the host institutions (Point 9.1.1), the CDG can prepare general conditions for financing ("allgemeine Förderungsbedingungen" AFB) that must be covered in the funding contracts (concrete host agreements, Point 9.1.2). The AFB must be approved by the Federal Minister for Labour and Economy.

9.4. Changes to current agreements with the host institutions

9.4.1. Amendment to the CD Laboratory

An increase to the CD Laboratory's budget associated with a change to the Laboratory (cf. Point 4.1.6) represents a change (expansion) to the funding contract and requires a corresponding funding decision by the CDG Executive Board. A positive decision requires the approving vote of the representative from the Federal Ministry of Labour and Economy (the government enjoys a veto right).

The decision is based on the recommendation of the CD Commission, which evaluates the scientific arguments for amending (expanding) the CD Laboratory (cf. Point 7.4.3).

9.4.2. Other contractual changes

The CDG Executive Board may take decisions relating to small adaptations to the financing (e.g. minor increase of the budget in the sense of Point 9.4.1) and to other contractual changes, including a change of the funding recipient (e.g. in the event of relocation of a CD Laboratory to another university/research institution) without requiring a recommendation from the CD Commission.

10. Termination of support and phasing-out period

10.1. Provisions relating to termination of support

The support of individual CD Laboratories ends, without legal prejudice to any claims for the cessation or repayment of financial support (Point 9.1.2.2), on:

- reaching the seven-year maximum period of support (in addition to a possible phasing-out period of up to 12 months in accordance with Point 10.2.1)
- premature termination of the CD Laboratory for scientific reasons, in particular the absence of a positive decision to extend funding in accordance with Points 8.1 or 8.2. In such cases funding for a phasing-out period of up to a maximum of 12 months can be agreed in accordance with Point 10.2.2.
- failure to reach the lower level for the CD Laboratory budget of EUR 140.000 as a result of the cessation of collaboration with a business: the funding recipient must be granted appropriate time to make good the deficit by substituting another commercial partner: in such cases a phasing-out period of up to 12 months may be agreed in accordance with Point 10.2.3.

10.2. Provisions relating to the phasing-out period

Additional funding for phasing-out periods should be granted in a restrictive manner. Decisions on individual cases are taken by the CDG Executive Board, if necessary based on a recommendation of the CD Commission. The maximum duration of a phasing-out period is 12 months.

10.2.1. Phasing-out after seven years of operation

The normal phasing-out period serves to enable the completion or supervision of any masters and diploma theses as well as of doctoral theses that despite careful planning could not be finalized during the regular seven-year lifetime of the CD Laboratory as a result of particular scientific considerations or for other, non-foreseeable reasons. The phasing-out period should not be viewed as an automatically granted eighth year of research funding. It represents very much an exception and should not be taken into account in the time plans that underlie the CD Laboratory's research work.

Personnel costs are eligible for support, together with necessary travel costs and material costs. Equipment purchased during the phasing-out period is not eligible for support.

10.2.2. Phasing-out after premature termination for scientific reasons

Analogously to Point 10.2.1, phasing-out funding may also be granted in cases when continued funding for a CD Laboratory is not approved (cf. Point 8.1.1, Z 4). The phasing-out period should enable the completion or supervision of any masters and diploma theses as well as of doctoral theses and safeguard the Laboratory's scientific results.

10.2.3. Phasing-out after failure to reach the lower limit of the budget

The termination of a CD Laboratory as a result of the cessation of a business collaboration (or if the lower level of EUR 140.000 for the laboratory budget is not met) can be postponed by approval of funding for a phasing-out period, thereby avoiding significant damage to the CD Laboratory. Phasing-out funding of this kind serves both to complete and supervise masters/diploma theses and doctoral theses and to safeguard the Laboratory's scientific achievements to date and to enable the new ties to commercial partners necessary to enable the normal continuation of the CD Laboratory, or its reopening. The phasing-out period can thus be seen as a kind of interim period.

Personnel costs are eligible for support, together with necessary travel costs and material costs. Equipment purchased during the phasing-out period is not eligible for support.

If the CD Laboratory is extended or reopened, the phasing-out period is shortened as appropriate. In any event, the duration of the phasing-out or interim support will be taken into account in calculating the total lifetime of the CD Laboratory.

11. Indicators of whether goals have been reached

The indicators serve to assess whether the operational goals have been reached (cf. Point 1.3). A distinction is made between quantitative and qualitative indicators. The indicators primarily serve the external evaluation of the programme but are also used indirectly to evaluate individual CD Laboratories. In accordance with the programme's basic principle of autonomy in all scientific matters, the way indicators are applied to the scientific evaluation of CD Laboratories is itself subject to the opinion of experts. Because of the wide range of scientific disciplines supported, it can be assumed that the weightings assigned to the various indicators will differ.

The parameters are largely calculated from information in the CD Laboratory's reports, in the database relating to the processes and the programme (cf. Point 12.2.5) and in responses to questionnaires.

Correlation between goals and indicators:

Programme goal	Indicators
duration and intensity of collaboration	<ul style="list-style-type: none"> • number of businesses • length of collaboration • number of and reasons for premature withdrawals • expansion of the research project • collaboration with other CD Laboratories and JR Centres • collaboration with COMET • other collaborations • fluctuation of the research group
results from basic research at a high level	<ul style="list-style-type: none"> • refereed publications • non-refereed publications • conferences • received scientific awards and prizes
research relevant to practice	<ul style="list-style-type: none"> • applicability of the research theme • type and intensity of the collaboration between partners from research and business
technological leverage	<ul style="list-style-type: none"> • number of inventions • number of patents • implementation of follow-up activities • number of further research projects arising
knowledge transfer	<ul style="list-style-type: none"> • innovations to processes • innovations to products • development of the research partner's level of research contracts
development of human resources	<ul style="list-style-type: none"> • diploma theses • doctoral theses • "<i>Habilitations</i>" • offers of chairs at universities • scientific awards and prizes • transfer of CD Laboratory personnel to industry
commercial development	<ul style="list-style-type: none"> • change in turnover • change in number of employees • number of staff undertaking research • development within the business of the division to which the CD Laboratory is assigned
improved international contacts	<ul style="list-style-type: none"> • number of commercial partners outside Austria • number of International CD Laboratories • number of International modules • international visibility of the CDG

12. Monitoring and evaluation

Two levels of evaluation need to be distinguished: the Directive and programme level, i.e. the evaluation of the cumulative extent to which the research programme's goals have been reached, as specified in the present Directive; and the monitoring of the funded projects (the CD Laboratories) themselves.

12.1. Directive and programme level

By the end of 2025 (cf. Point 3), a comprehensive evaluation of the programme will take place. Based on the example of the assessment of the usefulness, programmes and system that was undertaken in 2011 and on the joint programme evaluation undertaken in 2016, the evaluation should again assess the CDG's structure and processes and provide an overall evaluation of the funding organization and the programme it administers. The selection and appointment of evaluators will be undertaken by the BMAW after a call made in accordance with the regulations governing the award of contracts.

The evaluation has the purpose of assessing the programme's results and its effectiveness within the overall portfolio for science funding in Austria, as well as its impact on developing the innovation system in Austria. In undertaking the evaluation, the extent to which the various operational goals (cf. Point 1.3) have been reached, assessed by means of the indicators (cf. Point 11), should be determined and an overall evaluation of the improvements to the scientific and economical usefulness performed. The evaluators should use the results as a basis for recommendations on the continuation of the funding programme.

The quantitative results of the evaluation should be put in relation to the results of the evaluations in 2011 and 2016 to enable the programme's development to be visualized on the basis of the indicators. There will also be an evaluation of the Directive based on the effect-directed impact assessment in accordance with the 2013 Federal Appropriation Act (BHG 2013) in 2028. The indicators, with the starting and target values, are to be taken from the effect-directed impact assessment.

12.2. Monitoring of the funded projects

12.2.1. Scientific two-year evaluation

At the end of the introductory phase (before the close of the second year of research), the CDG should undertake a scientific evaluation of each CD Laboratory (on site or via video conference). The primary goal of the evaluation is to assess the progress of the basic research.

The assessment is based on an evaluation event at the university/research institution (in presence or online), involving at least one international expert. The expert undertakes the evaluation of the research results in a standardized manner (e.g. by means of a list of standard questions), taking the particular features of the subject area into account.

The quality of the CD Laboratory is assessed by means of the following criteria:

- Is the research innovative and at a high level based on international standards?
- Is basic research being carried out in an appropriate manner?
- Have there been any deviations from the original research plan, time plan and financial plan and if so are they justified?
- Have any terms and conditions imposed when the funding decision was taken been observed and have any recommendations made at that time been taken into account?
- How has the publication activity been, in terms of quality and quantity, in relation to the international level in the discipline?
- Are there relevant scientific collaborations and if so how can these be assessed?
- Are appropriate measures in place to ensure knowledge transfer to the commercial partner?
- Is the necessary attention being paid to training and supervising young scientists?
- How can the research programme for the subsequent funding period be assessed in relation to the results obtained so far?

For an evaluation after two years, the Head of the Laboratory must submit an evaluation report and present it verbally during the hearing (presentation of the research results). The evaluation report must be prepared in accordance with guidelines issued by the CDG. On the basis of the evaluation report and the evaluation hearing, the referee will prepare a written review for presentation to the CD Commission (cf. Point 8.1.1).

12.2.2. Scientific five-year evaluation

By the end of the first phase of extension (before the close of the fifth year of research) a further evaluation should be undertaken in accordance with the rules for evaluation after two years but taking into account the results expected from five years of research (cf. Point 8.2).

12.2.3. Economic evaluation

There is no special economic evaluation of the progress of the work while the CD Laboratory is running. The present programme operates under the principle that economic value is guaranteed by the commercial partner's readiness to continue to contribute 50% (or 40% for SMEs) of the project costs (in cash). However, economic aspects are taken into consideration in the evaluations after two and five years and represent an important point in the evaluation of the programme (cf. Point 12.2.8).

12.2.4. Final evaluation

A final evaluation is to be performed immediately following the closure of each individual CD Laboratory with the aim of analysing the Laboratory's contribution to the programme goals, in particular relating to the academic area, the commercial partner, the improvement to the national innovation system and the support of young scientists. The final evaluation includes the submission of a concluding scientific report and of a concluding statistical report. The concluding scientific report documents the results of the final

period. To make these accessible to the general public, the concluding report also contains a summary of the CD Laboratory's results over its entire period of operation and of the application of results by the commercial partners. The concluding report should be prepared in accordance with the guidelines issued by the CDG. The concluding statistical report contains appropriate numerical data.

12.2.5. Monitoring of the scientific development of the CD Laboratories

There is a continuous scientific monitoring of CD Laboratories by evaluation reports (substantive report) as well as by the gathering of appropriate statistical data (the CD Laboratory provides an annual statistical report). Information will be collected on the CD Laboratories' structure, describing the progress of the project and permitting an assessment of the extent to which the programme's goals have been attained. The data will include information on personnel, number and type of academic degrees, transfer of staff to other employers, scientific output (publications, participation in conferences, patents, inventions), knowledge transfer with the commercial partner, collaborations, additional projects and grants as well as scientific prizes, the organization of scientific events, applications for follow-up projects etc. The data permit a statistical analysis and form the basis for evaluations. Monitoring will be supported by a database to be operated and extended by the CDG and containing information on the processes and the programme.

12.2.6. Proof of appropriate use of support

The CDG's auditing procedures continuously verify whether the support is used in conformance with the regulations. Within first twelve months of the start of research work, the CDG will examine on site the funding recipient's financial structures for the CD Laboratory. The funding recipient will be required to submit at least annual reports on the disposition of funds.

The CDG will use an appropriate method to carry out spot checks of whether the research funding is used appropriately (assessment of subjective and financial regularity) e.g. by means of risk-oriented auditing (i.e. by prioritising higher invoice amounts) - at the voucher level - of grant funds that have not been audited exhaustively (personnel costs, inventory). Each CD Laboratory will generally be checked once in each calendar year (more often if there is need for additional clarification) and checks will extend to the support provided by other funding institutions within the CD Laboratory's overall funding.

The report on expenditure of funds will be based on the requirements of § 40 of the 2014 ARR. The report must consist of a written report and a numerical list of income and expenditure. The written report must show how the financial support from the CDG and, if relevant, the government, federal state and EU, has been used and should describe how the funded project is being performed and the results that have been obtained.

12.2.7. Financial Controlling

The financial controlling will be based on the numerical list of income and expenditure. This must include a breakdown of all income and expenditure related to the funded project, verified by documentary evidence. The CDG will reserve the right to have all the documentation submitted for control or to examine it at the funding recipient's premises.

The funding recipient is to be obliged to participate in the CDG's financial controlling of the CD Laboratory. The controlling must include at least the following points:

- annual reports (submission of numerical list of income and expenditure) from the CD Laboratory to the CDG
- comparison of planned and actual costs
- necessary participation in checks that the support is being used appropriately (either site visits of in the office)

In documents prepared for the financial controls, the costs are to be broken down in a manner to be agreed upon between the funding provider and the CDG.

12.2.8. Collection of data within the programme evaluation

The programme evaluation will gather data pertaining to the programme's benefits. It should consider the results from all CD Laboratories that have closed since the previous evaluation on the basis of the following documents, which will enable data to be stored and analysed statistically throughout the entire period of the individual CD Laboratories:

- the request for establishment of a CD Laboratory and the referees' reports
- the evaluation reports and the referees' reports
- the final report
- statistical data gathered annually and after conclusion of the CD Laboratory

Several CD Laboratories will be considered together both to produce more readily comparable data and to save costs.

The collection of data serves to assess the extent to which the programme's goals are realised and is directly useful at the programmatic level (cf. Point 12.1). It is carried out exclusively by external experts during the evaluation of the programme. The evaluators are selected following a call issued by the BMAW in accordance with the valid rules for the award of contracts. The evaluators will correlate the size of input (level of support, number of staff etc.) with the output (number of publications, dissertations, patents etc.) by examining the data gathered during the CD Laboratory's lifetime. The results will be directly related to the results of the joint programme evaluation undertaken in 2016.

13. Interim provisions

13.1. Continued applicability of general funding contracts

The provisions of the former general funding contracts will continue to apply to all CD Laboratories in operation on 1.1.2022 until the termination of the CD Laboratory or their transfer to a new contractual phase.

13.2. Continued applicability of the individual funding contracts

The individual funding contracts for CD Laboratories concluded before 1.1.2002 remain broadly applicable to the contractual phase they regulate. However, any changes resulting from the present Directive should be implemented, following agreement with the funding recipient (host institution).

13.3. Continued applicability of the present Directive

The provisions relating to financing granted by 31.12.2026 on the basis of the present Directive remain applicable until the termination of funding, i.e. after the end of the period covered by the Directive, unless a follow-up Directive provides otherwise.

14. Continued development of the Directive

The present Directive and the funding programme it regulates are operating against a highly dynamic background of continuously changing scientific, economic and political conditions. The changes make it necessary to identify the steps needed to develop the Directive at an early stage, to plan them and to implement them in an appropriate manner. As one of Austria's national research funding agencies, the CDG is not only responsible for implementing the funding programmes entrusted to it in accordance with the Directive; in addition it should make use of its own resources and the expertise in the CDG's bodies to continue to develop the present regulations together with the BMDW in a forward-looking way.

14.1. The CDG's role in the further development of the Directive

The original authorship of CD Laboratories lies with the CDG, which also created the special form of collaboration between science and business in the national innovation system, a collaboration that has grown steadily over the years. The CDG's position at the interface between science, the economy and the national administration of research funding predestines the Association to make its experience of the successful PPP model available to help meet research-political challenges. As a national research funding agency, the CDG is responsible for working on the continued development of this Directive. The CDG may submit prepare and submit draft regulations to succeed the present Directive to the BMAW.

14.2. Possibility for the CDG's initiative

The CDG has the possibility to approach the Federal Ministry for Labour and Economy with suggestions for adaptations and supplements to the present Directive, with the goal of continuing to develop the funding programme for CD Laboratories and its individual elements.