



# **BIO-BASED INDUSTRIES JOINT UNDERTAKING**

## **ANNUAL ACTIVITY REPORT 2014**

In accordance with Article 16.2 of the Statutes of the BBI JU annexed to Council Regulation (EU) No 560/2014 and with Article 20 of the Financial Rules of the BBI JU.

The annual activity report will be made publicly available after its approval by the Governing Board.

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## FACTSHEET

<b>Name</b>	BIO-BASED INDUSTRIES JOINT UNDERTAKING
<b>Objectives</b>	<p>The Bio-based Industries Joint Undertaking shall have the following objectives:</p> <p>(a) to contribute to the implementation of Regulation (EU) No 1291/2013 and in particular Part III of Decision 2013/743/EU;</p> <p>(b) to contribute to the objectives of the BBI Initiative of a more resource efficient and sustainable low-carbon economy and increasing economic growth and employment, in particular in rural areas, by developing sustainable and competitive bio-based industries in Europe based on advanced biorefineries that source their biomass sustainably, and in particular to:</p> <p>(i) demonstrate technologies that enable new chemical building blocks, new materials, and new consumer products from European biomass which replace the need for fossil-based inputs;</p> <p>(ii) develop business models that integrate economic actors along the whole value chain from supply of biomass to biorefinery plants to consumers of bio-based materials, chemicals and fuels, including by means of creating new cross-sector interconnections and supporting cross-industry clusters; and</p> <p>(iii) set up flagship biorefinery plants that deploy the technologies and business models for bio-based materials, chemicals and fuels and demonstrate cost and performance improvements to levels that are competitive with fossil-based alternatives.</p>
<b>Founding Legal Act</b>	COUNCIL REGULATION (EU) No 560/2014 of 6 May 2014
<b>Executive Director</b>	Barend Verachtert – Interim Executive Director
<b>Governing Board</b>	<p><b>EC members:</b></p> <ul style="list-style-type: none"> <li>• Rudolf STROHMEIER, Deputy Director-General "Research Programmes", DG RTD</li> <li>• John BELL, Director "Bioeconomy", DG RTD/F</li> <li>• Clara DE LA TORRE, Director "Key Enabling Technologies", DG RTD/D</li> <li>• Aldo LONGO, Director "General Aspects of Rural Development and Research", DG AGRI/H</li> <li>• Gwénole COZIGOU, Director "Resources Based, Manufacturing and Consumer Goods Industries", DG GROW/F</li> </ul> <p><b>EC alternaties:</b></p> <ul style="list-style-type: none"> <li>• John BELL, Director "Bioeconomy", DG RTD/F</li> <li>• Waldemar KÜTT, Head of Unit "Bio-based products and processing", DG RTD/F2</li> <li>• Jose-Lorenzo VALLES, Head of Unit "Advanced Manufacturing Systems and Biotechnologies", DG RTD/D2</li> <li>• Rob PETERS, Head of Unit "Research and Innovation", DG AGRI/H5</li> <li>• Reinhard BUESCHER, Head of unit "Chemicals industry", DG GROW/F2</li> </ul> <p><b>BIC members:</b></p> <ul style="list-style-type: none"> <li>• Marcel WUBBOLTS, Chief Technology Officer, DSM</li> </ul>

	<ul style="list-style-type: none"> <li>• Mat QUAEDVLIEG, Director Manufacturing SFPE, Member of Sappi Global Technology Development Board, Sappi</li> <li>• Thomas NAGY, the Executive Vice President, Supply Operations, Novozymes</li> <li>• Christophe RUPP-DAHLEM, Director, Plant-based chemistry Innovation Programs, Roquette</li> <li>• Christophe LUGUEL, Head of International Affairs, IAR Cluster</li> </ul> <p><b><i>BIC alternaties:</i></b></p> <ul style="list-style-type: none"> <li>• Carmen MILLAN CHACARTEGUI, Project Promotion and Institutional Relations Manager, Abengoa Bioenergia Nuevas Tecnologias</li> <li>• Ulrich KETTLING, Global Director Biotechnology &amp; Biorefinery, Clariant</li> <li>• Agnes VAN ARDENNE, Chair of the Dutch Biorefinery Cluster</li> <li>• Christine HAGSTRÖM-NÄSI, CEO of the Finnish Bioeconomy Cluster FIBIC Ltd</li> </ul>
<b>Other bodies</b>	<p>Scientific Committee</p> <p>States Representatives Group</p>
<b>Staff</b>	On-going staff recruitment
<b>2014 Budget</b>	<p>51.500.000 BBI Operational expenditures</p> <p>1.006.825 BBI Administrative expenditures</p>
<b>Budget implementation</b>	BBI Administrative expenditures only
<b>Grants</b>	No grants were signed in 2014
<b>Strategic Research Agenda</b>	<p>SIRA</p> <p>(<a href="http://biconsortium.eu/sites/biconsortium.eu/files/downloads/BIC_BBI_SIRA_web.pdf">http://biconsortium.eu/sites/biconsortium.eu/files/downloads/BIC_BBI_SIRA_web.pdf</a>)</p>
<b>Call implementation</b>	<p>Number of calls launched in 2014: 1</p> <p>Number of proposals submitted: 40</p> <p>Number of eligible proposals: 38</p> <p>Number of proposals funded: none</p> <p>Global project portfolio (since the setting up): N.A.</p> <hr/> <p>Success stories: N.A.</p>
<b>Participation, including SMEs</b>	<p>Total n° of participations in funded projects: N.A.</p> <p>The evaluation of the first call has been completed but no Grant Agreements were signed by 31 December 2014.</p>

## FOREWORD

The Bio-based Industries Joint Undertaking (BBI JU) is a public-private partnership established between the European Commission and the Bio-based Industries Consortium (BIC)<sup>1</sup> to implement a Joint Technology Initiative on Bio-based Industries. It aims to bring together all relevant stakeholders to establish innovative bio-based industries as a competitive sector in Europe, ranging from primary production, large industry, SMEs, clusters, trade associations, academia, RTOs to end-users.

The overall objective of the partnership is to support the transition towards a more resource efficient and sustainable low-carbon economy and to increase economic growth and employment, in particularly in rural areas, by developing sustainable and competitive bio-based industries in Europe based on advanced biorefineries that source their biomass sustainably. To this avail, it will develop five new bio-based value chains from primary production to consumer markets.

With a total budget of EUR 3.705 billion, of which almost 75% will be contributed by BIC, the JU's work plan (WP) is industry driven. The basis of this work programme is provided by the Strategic Innovation and Research Agenda (SIRA)<sup>2</sup>. The SIRA was prepared by the Bio-based Industries Consortium and outlines the main challenges that need to be addressed in order to fully realise the potential of bio-based industries in Europe on the basis of five value chains.

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<sup>1</sup> <http://biconsortium.eu/>

<sup>2</sup> [http://biconsortium.eu/sites/biconsortium.eu/files/downloads/BIC\\_BBI\\_SIRA\\_web.pdf](http://biconsortium.eu/sites/biconsortium.eu/files/downloads/BIC_BBI_SIRA_web.pdf)

# EXECUTIVE SUMMARY

## 1. OPERATIONS

### *Overview*

The BBI JU was established on 6 May 2014 by Council regulation No 560/2014, published in OJ on 7 June 2014, entering into force on 27 June 2014. The Interim Executive Director was appointed on 23 July 2014. Currently the European Commission, namely Directorate F of DG Research and Innovation, is managing the BBI JU activities. The autonomy of the BBI JU is scheduled for the 3rd quarter of 2015 when all autonomy criteria are planned to be met.

A States Representatives Group and a Scientific Committee have been established.

The first BBI JU call "H2020-BBI-PPP-2014-1" was published on 9 July 2014 (OJ C 215 of 9 July 2014) with a deadline of 15 October 2014, and a total budget of €50.000.000,00 + an additional amount of €1.500.000,00 as EFTA appropriations. The proposals were evaluated in November 2014. The results of the evaluation and the provisional ranking lists were adopted by the BBI JU Governing Board in January 2015.

The BBI JU staff recruitment has been launched. 6 vacancy notices were published in 2014. The interviews for selection of candidates are on-going.

BBI JU has its seat in the White Atrium building in Brussels. The offices were furnished and the supply contracts for IT equipment were concluded in 2014.

### **1.1.Key objectives 2014 and associated risks**

There were two main objectives for the BBI JU in 2014:

- Preparatory actions for BBI JU autonomy;
- Implementation of the 2014 call.

Management of the related operational risks:

Until obtaining the capacity to implement its own budget, the Bio-based Industries Joint Undertaking (BBI JU) remains under the responsibility of the European Commission and all its initial operations therefore are run by the Commission (Article 19 of the Council Regulation establishing the BBI JU). This so-called preparatory or transitory period includes a number of tasks aiming at the establishment of the JU infrastructures, adoption of basic documents, procedures and budgets, starting of the JU's activities and recruitment of its staff.

The final preparatory phase shall ensure that the JU has the capacity to implement its own budget. Until then, payments to thirds parties (beneficiaries, suppliers, staff) are carried out by the Commission from the JU budget lines and are administered following the provisions of the Financial Regulation (financing decision, budgetary commitment, legal commitment co-signed by the JU's legal representative – Interim Executive Director- and the Commission's

authorising officer by delegation).

From the moment of obtaining the capacity to implement its own budget, the JU will be receiving contributions from the Commission and direct payments from the Commission to third parties will cease; the JU, and in particular its authorising officer, will be responsible for implementing the budget of the JU in conformity with the JU's Financial Rules and using the human and material resources at its disposal.

The moment of the JU obtaining the capacity to implement its budget is technically contingent on the planning of DG Budget for ABAC deployment. After deployment, which entails the "transfer" of open commitments, the Commission will not be able to carry out any payments to third parties on behalf of the JU.

The main risks associated to the initial actions regarding the setting-up of BBI are related to possible delays in the recruitment of the BBI JU Executive Director and in the setting-up of the dedicated ABAC accounting system. Since the appointment of the BBI JU Executive Director and the functioning of the ABAC environment are autonomy criteria, their implementation will impact the date of autonomy of the JU. Close scrutiny on the appointment and ABAC related processes has been established by DG Research and Innovation.

## **1.2. Research activities**

The Bio-based Industries JU's first Call for Proposals in 2014 covered topics for four of the five SIRA value chains:

- Value chain 1 (VC1): From lignocellulosic feedstock to advanced biofuels, bio-based chemicals and biomaterials;
- Value chain 2 (VC2): The next generation forest-based value chains;
- Value chain 3 (VC3): The next generation agro-based value chains;
- Value chain 4 (VC4): Emergence of new value chains from (organic) waste;

The 2014 work plan was a part of a long-term strategy that will deliver results in a stepwise approach: wherever potentially disruptive technologies are available at sufficiently high TRL (Technology Readiness Level), innovation actions will be launched to strengthen existing value chains or form new ones, especially by creating links between existing value chains. Parallel research and innovation actions are foreseen to provide "next generation" enabling technologies the needed impetus to deliver on short term results (proof of technology advancement), thereby facilitating innovations in the medium/long term (availability of new processes and products). A continuous feedback loop is foreseen from innovation actions back to research and innovation ones to address technological challenges arising from value chain demonstration.

Within this framework, priority in the first work plan was given to:

1. Initiatives that have a high potential to deliver results on the short and medium term: these include innovation actions that foster valorisation of lignocellulosic materials, streams and by-streams from existing biorefineries with the aim of achieving 2 to 5 higher value products than in current applications, and of bringing new bio-based products to the market that would compete with existing fossil-based ones. This also includes large scale centralised conversion of manure demonstrating the cost-efficient isolation of added-value biochemicals. These demonstration and flagship initiatives contribute to the strategic objectives of doubling the fraction of bio-based chemicals produced in Europe (from current 10% to 20%), increasing by a factor of 5 the market share of bio-based polymers and composites, increasing the value of products from agro-food residues with at least a factor 3, and reducing costs and/or weight in addition to the overall environmental footprint.
2. Priority challenges to ensure medium and long-term sustainable biorefinery approaches: Research and innovation actions focused on the valorisation of nutrients and proteins, and the mobilisation and valorisation of readily accessible, yet underutilised resources are essential for the creation of a circular economy and for the smart and efficient use of renewable resources. This includes developing new added-value products from available cellulose and lignin, and isolating sugars from side streams of pulp mills. These would contribute to the strategic objectives of increasing biomass mobilisation by 10%, and of reducing imports of protein for feed and fertilisers components applied to feedstock production by 15% and 10%, respectively. While reducing Europe's dependence on imports, these actions will be equally instrumental for boosting rural economies and the creation of highly skilled jobs.
3. High impact and complex long-term issues: these must be tackled from day one to lay solid foundations for the future - for instance, research and innovation actions that develop technologies for valorisation of heterogeneous waste streams, and cost and energy-efficient technologies for separation of lignocellulose into its individual components. These issues specifically tackle the challenge of organic waste valorisation and seek to develop resource efficient technologies aimed at increasing recovery ratios and conversion rates, developing new bio-based products. Projected benefits also include substantial energy savings and CO<sub>2</sub> emissions reduction (up to 40% and 80% respectively for innovative wood pulping technologies). These topics contribute to achieving a secure and sustainable supply of lignocellulosic biomass and to meeting the 15% target increase in waste and by-product utilisation by 2020.

### **1.3.Calls for proposals and grant information**

Horizon 2020, the Framework Programme for Research and Innovation, emphasises innovation more than its predecessor, the 7th Framework Programme for Research and Technological Development (FP7). This trend has also been reflected in the activities of the Bio-based Industries Joint Undertaking. Industry participation in all type of actions is crucial to achieve the objectives of the Joint Technology Initiative. The 2014 Work Plan was

organised around 2 types of actions:

- Research and innovation actions (RIA)

and

- Innovation actions:
  - Demonstration actions (DEMO);
  - Flagship actions (FLAGSHIP).

A major share of the initiative's budget is spent on demonstration and flagship actions.

In view of ensuring the success of the activities, applicants had to:

- Demonstrate that the proposed activities represent progress beyond the state-of-art;
- Demonstrate cost-effectiveness, sustainability and fulfilment of technical market requirements of the proposed activities;
- Demonstrate ownership or freedom to operate on any required and proposed technology.
- Demonstrate the European dimension, added value and impact of the proposed activities.

A total of 16 topics were presented according to type of actions supported. The selection was made on the basis of excellence, impact and quality and efficiency of the implementation.

### **1.3.1 Progress against KPIs**

Since the BBI JU was established in mid-2014, the definition of the Key Performance Indicators (KPIs) was not completed by December 2014. A draft list of KPIs has been discussed by the EC and BIC aiming at the establishment of performance indicators specific for BBI in order to complement a set of KPIs and monitoring and reporting indicators which are applicable through the whole H2020. These 3 groups of indicators are:

- Horizon 2020 Key Performance Indicators<sup>3</sup> common to all JTI JUs;
- Indicators for monitoring H2020 Cross-Cutting Issues<sup>4</sup> common to all JTI JUs;
- Key Performance Indicators specific for BBI JU.

A draft list of KPIs is enclosed as Attachment 3 to this report.

BBI Annual Work Plans as from 2015 onwards will clearly set out how the planned activities will contribute to the achievement of objectives set, listing the respective KPIs and taking into

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<sup>3</sup> (based on Annex II to Council Decision 2013/743/EU)

<sup>4</sup> (based on Annex III to Council Decision 2013/743/EU)

account the allocated resources and the identified risks.

### 1.3.2. Evaluation: global evaluation outcome, redress, processes, statistics

The first BBI JU call "H2020-BBI-PPP-2014-1" was published on 9 July 2014 (OJ C 215 of 9 July 2014) with a deadline of 15 October 2014, with a total budget of €50.000.000,00 + an additional amount of €1.500.000,00 as EFTA appropriations. The proposals were evaluated in November 2014. The results of the evaluation and the provisional ranking lists are subject of adoption by the BBI JU Governing Board in January 2015.

The call comprised three types of action: Research and innovation action (RIA), Demonstration action (DEMO) and Flagship action (FLAGSHIP) with a total of 16 topics: 10 for RIA, 5 for DEMO and 1 for FLAGSHIP.

A total of 40 proposals were submitted to the call. 2 were deemed withdrawn due to abusive submission. The remaining 38 proposals were all eligible. The total BB-JU contribution requested by the 38 eligible proposals amounted to EUR 228.182.350. Their distribution within the above referred actions is as follows: 20 in RIA, 14 in DEMO and 4 in FLAGSHIP. All eligible proposals were evaluated remotely during the period 10 to 21 November 2014 and centrally from 24 to 27 November 2014. The evaluation was carried out pursuant Article 15 of the Rules for Participation, Article 133(1) of the Financial Regulation and Article 204(1) of the rules of Application, in order to verify the quality of the submitted proposals.

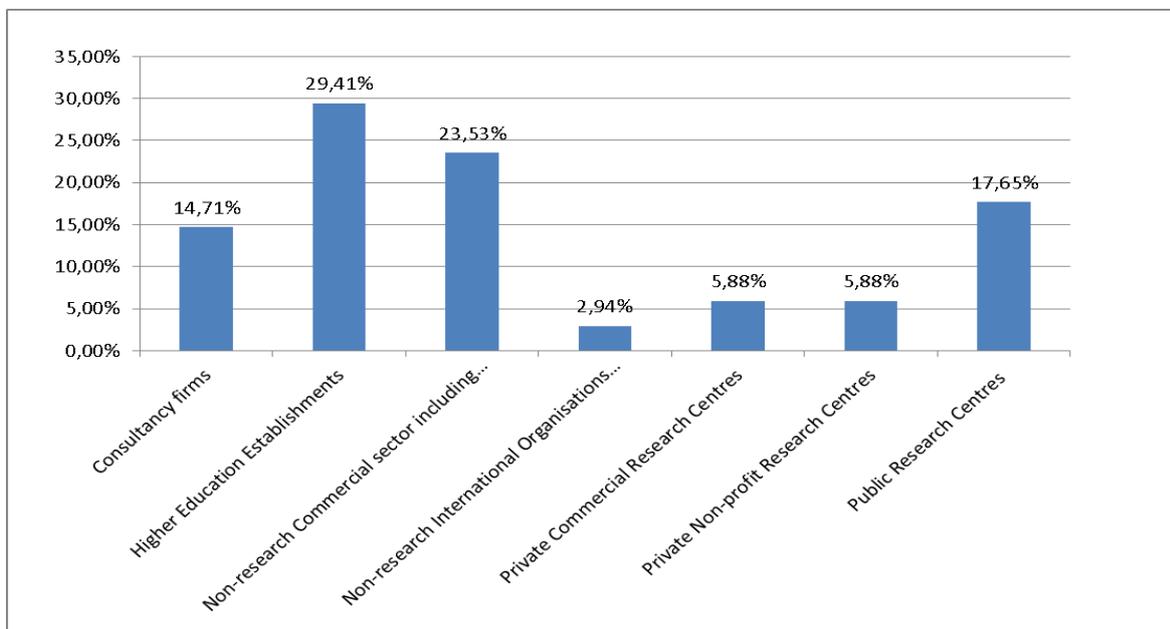
#### *Summary of the submitted eligible proposals:*

Topic Code	Submitted Admissible Proposals		Research & Innovation Actions			Innovation Actions			Total			
	Total	%	Proposals Submitted	Ineligible	%	Proposals Submitted	Ineligible	%	Ineligible	%	Eligible	%
BBI.VC1.D1	3	7,9	0	0	0,0	3	0	16,7	0	0,0	3	100
BBI.VC1.D2	4	10,5	0	0	0,0	4	0	22,2	0	0,0	4	100
BBI.VC1.R1	3	7,9	3	0	15,0	0	0	0,0	0	0,0	3	100
BBI.VC2.D3	2	5,3	0	0	0,0	2	0	11,1	0	0,0	2	100
BBI.VC2.R2	1	2,6	1	0	5,0	0	0	0,0	0	0,0	1	100
BBI.VC2.R3	1	2,6	1	0	5,0	0	0	0,0	0	0,0	1	100
BBI.VC2.R4	3	7,9	3	0	15,0	0	0	0,0	0	0,0	3	100
BBI.VC2.R5	1	2,6	1	0	5,0	0	0	0,0	0	0,0	1	100
BBI.VC3.D4	3	7,9	0	0	0,0	3	0	16,7	0	0,0	3	100
BBI.VC3.F1	4	10,5	0	0	0,0	4	0	22,2	0	0,0	4	100
BBI.VC3.R6	2	5,3	2	0	10,0	0	0	0,0	0	0,0	2	100
BBI.VC3.R7	1	2,6	1	0	5,0	0	0	0,0	0	0,0	1	100
BBI.VC3.R8	1	2,6	1	0	5,0	0	0	0,0	0	0,0	1	100

<b>BBLVC4.D5</b>	2	5,3	0	0	0,0	2	0	11,1	0	0,0	2	100
<b>BBLVC4.R10</b>	3	7,9	3	0	15,0	0	0	0,0	0	0,0	3	100
<b>BBLVC4.R9</b>	4	10,5	4	0	20,0	0	0	0,0	0	0,0	4	100
<b>TOTAL</b>	<b>38</b>	<b>100</b>	<b>20</b>	<b>0</b>	<b>100</b>	<b>18</b>	<b>0</b>	<b>100</b>	<b>0</b>	<b>0,0</b>	<b>38</b>	<b>100</b>

The evaluation of proposals was carried out with the assistance of 31 independent experts providing 5 experts readings per proposal. In selecting experts, the primary objective was to ensure a high level of skills, experience and knowledge in the areas of the call (including innovation, exploitation, dissemination and communication). Under these conditions, special attention was given to achieve an appropriate composition in terms of various competence, experience, and knowledge, geographical diversity, gender and private-public sector balance.

*Gender, geographic origin and affiliation of the experts involved in 2014 evaluation*



One independent expert was appointed by the Commission to observe and offer an independent advice on the conduct and fairness of the evaluation sessions, on the application of the evaluation criteria and on ways to improve processes.

Based on the available budget under each action and taking into account the results of the evaluations, the following is extrapolated:

**Research and innovation action:**

Of the 20 eligible proposals evaluated under this action, 10 passed all thresholds and are eligible for funding. For RIA actions the individual thresholds were set at 4 for the *Impact*

criterion and 3 for the *Excellence* and *Quality of the implementation* criteria respectively. Furthermore, an overall threshold of 11 was also set. For the prioritisation of *ex aequo* the following approach was followed:

(i) Proposals that addressed topics not otherwise covered by more highly-ranked proposals, were considered to have the highest priority.

(ii) These proposals were themselves prioritised according to the scores they had been awarded for the excellence criterion. When these scores were equal, priority was based on scores for the impact criterion.

According to the provisions set forth in the 2014 BBI JU annual work plan, in case the budget of a given line cannot be consumed totally the corresponding remaining budget will be allocated to the topics under other budget lines.

### **Demonstration action:**

Of the 14 eligible proposals evaluated under this action, 7 passed all thresholds and are therefore eligible for funding. Individual and overall thresholds for DEMO were the same as for the RIA; furthermore an additional weighting factor of 1.5 for the Impact criterion was applied for the proposals ranking. The prioritisation of *ex aequo* proposals followed the same approach as for the RIA with the only difference that the score of the Impact criterion had priority over the score of the Excellence criterion.

### **Flagship action**

Of the 4 proposals received under this action, 1 proposal passed all thresholds. Individual and overall thresholds as well as weighting factor and *ex aequo* prioritisation were the same as for DEMO.

In conclusion, 38 proposals were evaluated, with the following results:

- 20 proposals did not meet the thresholds set out for this call for proposals and must be rejected;
- A ranking list has been drafted comprising 18 proposals (10 RIA, 7 DEMO and 1 FLAGSHIP) which met the thresholds set out for this call for proposals and are therefore eligible for funding.

**Commitment appropriations for the BBI JU contribution** amounted to a total of EUR 50 million and were divided as follows:

RIA	€15.000.000,00
DEMO	€18.000.000,00
FLAGSHIP	€17.000.000,00

Based on the proposals retained for funding<sup>5</sup>, **estimated in kind from BIC members** amounted to a total of EUR 71 million, being EUR 28<sup>6</sup> million in in kind contributions and

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<sup>5</sup> It was only during 2015 that the projects were finally selected for funding.

<sup>6</sup> In kind contribution from BIC members is calculated according to the H2020 model (100% of the total direct

EUR 43 million in contributions towards additional activities. The total contribution was divided as follows;

RIA	€10,000,000
DEMO	€20,000,000
FLAGSHIP	€41,000,000

#### **1.4.Operational budget execution**

Since **no** grant agreements were signed by the BBI JU during 2014, no operational budget has been executed.

## **2. SUPPORT ACTIVITIES**

### **2.1.Communication activities**

All communication activities were orientated to ensure political and public awareness about the BBI JU's activities. As new Joint Undertaking, the main objective was to foster awareness towards EU and national policy makers, as well as stakeholders of the Bioeconomy sector.

#### **2.1.1. Increasing visibility/ creating awareness of the activities carried out by the BBI JU**

The Interim Executive Director and his team participated in several meetings and conferences organized in Brussels and in some EU Member States in order to disseminate information about BBI JU activities: e.g. the EFIB conference in Reims (1-2 October 2014), Bioeconomy Stakeholder's conference in Turin and visit of the Biochemtex plant in Crescentino (8-9 October 2014).

The BBI JU was present at the joint exhibition of the JTIs which took place from 6 to 9 October 2014 at the European Parliament premises. This joint event aimed at building networks among the other JUs and Executive agencies but, most important, at informing new MEPs, elected during the last European Parliament elections, about the BBI JU set up and its activities.

In order to ensure awareness at a regional level of the BBI JU, a meeting with the Network of the European Regions Research and Innovation Network (ERRIN) was organized (12 October 2014). It was the first step to establish a network with all European regions interested on the bioeconomy.

To provide information on the first call for proposals, the first BBI JU info Day was organized (2 September 2014).

#### **2.1.2. Promoting stakeholders' engagement along and across the value chains in order to**

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costs and 25% as indirect costs)

## **facilitate cooperation and knowledge exchange.**

A relevant institutional communication strategy was put in place in order to ensure political visibility and support to the overall BBI JU activities. A first exchange of views about the BBI JU activities took place at the ITRE Committee in the European Parliament (6 November 2014) and at the Bioeconomy Brokerage event organized by the European Regions Research and Innovation (ERRIN) and the European Regions for Innovation in Agriculture, Food and Forestry (ERIAFF) (28 November 2014).

The BBI JU started to have contacts with MEPs; in particular, MEPs representatives of the ITRE Committees have been targeted. In addition to this, European regions where participation in bio-based sector is poor were also targeted, as well as the regions that have already a strong interest in the bioeconomy.

### **2.1.3 Publications and electronic communication**

A fact-sheet and a poster for communication purposes have been produced and disseminated during the launch of the BBI JU on July 9. They gather general information as well as facts and figures about BBI JU activities.

The BBI JU website has been regularly updating its content related to all activities executed during the 2014: participation and organization of events, publication of BBI JU call for proposals, BBI JU governance members, BBI JU vacancies and annual work plan.

Besides the basic legal and political documents, other documents considered relevant for the bioeconomy sector were published and some videos related to the bioeconomy have been uploaded as well.

Through the BBI JU website it is possible to connect to the partnering platform, a tool to identify and to cooperate with European stakeholders around the annual BBI calls for proposals. This tool was very useful during the first Info Day on the 2014 call for proposals by providing comprehensive information about the calls, expert guidance through application processes, partnering profiles of European stakeholder organisations and direct communications with other candidates.

## **2.2. Legal and financial framework**

The legal framework refers to:

- the basic BBI JU Legal Act, i.e. the Council Regulation (EC) 560/2014 of 6 May 2014;
- the Horizon 2020 Regulation (EU) 1291/2013 and its Rules for Participation;
- the Financial Rules adopted by the Governing Board on 27 June 2014, and amended by written procedure on 8 December 2014,

The financial framework is set by the Commission Decision C(2014)5193 and its annexes.

### **2.3. Budgetary and financial management**

In accordance with the Council Regulation 560/2014 setting up the Bio-based Industries Joint Undertaking, the BBI JU is financed through contributions from its Members, including cash contributions from the Union and the Bio-based Industries Consortium Aisbl (BIC) for its administrative costs and cash contributions from the Union and the Bio-based Industries Consortium Aisbl (BIC) for its operational activities (article 12 of its Statutes).

The budget of the BBI JU is divided into 3 titles as follows:

Title 1: Staff expenditure

Title 2: Other administrative expenditure

Title 3: Operational expenditure

For Title 1 and 2 appropriations are non-differentiated: commitment and payment appropriations are of equal amount. For Title 3 appropriations are differentiated. Commitments are paid over several years in accordance with contractual obligations.

Budget execution at year end for fund source C1 reached 100.00% in terms of commitment appropriations and 84.95% in terms of payment execution. For more details refer to Annex 4.

The setting-up of a dedicated and private environment for carrying out financial transactions and contract management (ABAC environment) is one of the many aspects to be addressed before the newly established Joint Undertaking could be granted operational autonomy. The setting-up process would need to be completed in the first half of 2015 by the competent EC services (DG Budget and DG Research and Innovation).

Article 22 of the BBI JU Financial Regulation (FR) establishes powers and responsibility of the BBI JU Accounting Officer, which include:

- Implementing payments and collecting revenues;
- Keeping, preparing and presenting the accounts;
- Implementing the accounting rules and the chart of accounts;
- Laying down and validating the accounting systems;
- Treasury management.

The Financial Regulation establishes that the Accounting Officer shall be totally independent in the performance of his or her duties, enforcing an effective separation of duties between this position and that of Authorising Officer. Explicit mention is also made that the BBI JU may agree with the Commission to nominate the Commission Accounting Officer as Accounting Officer for the BBI JU.

Taking into consideration those elements, and in order to maximise cost effectiveness and at the same time minimise possible risks, on 9 December 2014, the Governing Board decided to

appoint the Commission Accounting Officer as Accounting Officer for the BBI-JU.

#### **2.4. Procurement and contracts**

During 2014 the BBI JU website was financially supported by BIC. However, for the website maintenance and management in 2015 will be done by the Communication Framework Contractor of DG Research and Innovation. The total budget foreseen will be of €29 702,18.

Regarding the provision of the BBI JU with IT equipment 4 Framework Contracts of the EC Directorate General for Informatics have been used to order PCs, Laptops, Printers and network/telecom equipment, the total budget of this 4 specifics contracts is €2.912,89.

#### **2.5. IT and logistics**

The BBI JU will receive the hardware contracted and ordered in 2014 in the first half of 2015. The BBI JU IT systems will benefit from their integration in the joint IT network of the existing JUs already settled in the White Atrium building.

The offices in the White Atrium building, where the seat of the BBI JU is, were equipped with furniture following an agreement with the Commission Office for Infrastructure and Logistics in Brussels (OIB).

#### **2.6. Human Resources**

6 vacancy notices were published in 2014 aiming at the recruitment of:

- 1 Administrative Assistant (450 applications)
- 1 Assistant Project Manager (420 applications)
- 1 Human Resources Manager (140 applications)
- 1 Financial and Accounting Correspondent (150 applications)
- 1 Legal and Contractual Manager (130 applications)
- 3 Project Managers (400 applications)

Interviews were held for the posts Assistant Project Manager and Legal and Contractual Manager and suitable candidates were identified, who will be recruited in the course of 2015.

### **3. GOVERNANCE**

#### **3.1. Governing Board**

The BBI JU Governing Board was established on 27 June 2014 at its first meeting when, inter alia, its Rules of Procedure were adopted.

The Governing Board includes five representatives of the BIC and five representatives of the EC. Mr Rudolf Strohmeier, Deputy Director-General in DG RTD, was elected Chair on 27

June 2014, and Mr Marcel Wubbolts, Chief Technology Officer at DSM, was elected Vice-Chair.

The Governing Board has adopted the following documents and decisions in 2014:

- Rules of Procedure of the BBI JU Governing Board
- Selection procedure and criteria for the nomination of the members of the BBI JU Scientific Committee
- Work Programme 2014
- Guide for Applicants, Rules for Participation and other call documents
- Model Grant Agreement
- Organisational structure
- Financial Rules
- Annual budget 2014
- Appointment of DG Budget as Accounting Officer for BBI
- Rules on the reimbursement of SRG members
- Annual Work Plan, Budget and Staff establishment plan 2015

### **3.2.Executive Director**

The Executive Director is the legal representative and the chief executive for the day-to-day management of the BBI JU, in accordance with the decisions of the Governing Board, and in line with the Statutes.

Until the recruitment of the BBI JU Executive Director an Interim Executive Director of BBI was nominated by the College of Commissioners on 23 July 2014. The Interim Executive Director is supported by staff from the European Commission to run the BBI JU activities.

The publication for the post of Executive Director was published on 5 September 2014 with a deadline for applications of 3 October 2014.

The appointment of the Executive Director is expected to take place in June-July 2015. The Executive Director will also need to follow appropriate training before being fully operational. Since the recruitment of the Executive Director is an autonomy criterion, the time of recruitment will have an impact on the date of autonomy of the BBI JU.

### **3.3.States Representatives Group**

There were two meetings of the State Representative Group – one informal (shadow) on 12 May 2014 before the enforcement of the BBI Regulation and another in a formal

configuration on 3 September 2014. The main focus of the informal meeting was on the draft 2014 Work Plan, and the States Representatives Group (SRG) Rules of Procedure. The 3 September meeting dealt with the election of the chair and vice chair; the follow-up of the recommendations/proposals of the shadow SRG to the Governing Board; state of play and last developments of the BBI JU; BBI JU strategic orientations and work plan 2015; state of play and last developments of national and regional activities in relation to BBI JU (cooperation, dissemination and deployment).

### **3.4. Scientific Committee**

The BBI Scientific Committee (SC) has been formally established in conformity with the BBI Statutes. The selection procedure and criteria for the SC were adopted at the first Governing Board meeting on 27 June 2014. In 2014, the Scientific Committee met once in a shadow configuration (meeting on 3 May), as well as once in a formal capacity (meeting on 1 September) in order to provide advice on the Work Programme 2014 of the BBI JU. At its first formal meeting, the Scientific Committee elected its Chair and two Vice-chairs and adopted its Rules of Procedure.

Regarding the composition of the SC, by the end of 2014 the Scientific Committee counted 13 members (see Attachment for the names and affiliations). The full list of members was published on the BBI JU website.

Overall it can be concluded that the SC made solid and detailed contributions to the WP2014 of the BBI JU, issuing concrete recommendations. The SC provided input in the first of a two-stage process for the drafting of the BBI JU' 2015 Work Plan (first stage: definition of main strategic priorities in a so-call scoping paper, and second stage: development of the content of the 2015 work plan), and it was taken into account when adopting the scoping paper, and further defining the content of the 2015 Work Plan.

## **4. INTERNAL CONTROL FRAMEWORK**

### **4.1. Financial Procedures**

The manual of Financial Procedures is currently under preparation. The main purpose of the document is to describe the financial circuits for the implementation of BBI JU budget. The financial circuits concern the financial operations taking into account the structure of BBI and the risks associated with the management environment and the nature of the financing operation. They are established in order to standardise the mandatory steps of the processing of financial transactions and to clarify who the different actors are.

This manual shall be prepared in line with Article 17(3) of the financial rules of the BBI JU which states that: "The Executive Director shall, in accordance with the minimum standards adopted by the Governing Board, and having due regard to the risks associated with the management environment and the nature of the action financed, put in place the organisational structure and the internal control systems suited to the performance of duties of

the Executive Director. The establishment of such structure and systems shall be supported by a risk analysis which takes into account their cost-effectiveness".

#### **4.2.Ex-ante Controls on Operational Expenditure**

No operational expenditures were executed in 2014, thus no ex-ante controls on these were implemented.

#### **4.3.Ex-post Control of Operational Expenditure**

Ditto

#### **4.4.Audit of the European Court of Auditors**

Ditto

#### **4.5.Internal Audit**

Ditto

#### **4.6.Risk management**

During 2014 BBI JU risk management was integrated in EC DG Research and Innovation Risk management.

#### **4.7.Compliance and effectiveness of Internal Control**

The Internal Control Standards and the Internal Control Framework are under preparation.

The Internal Control Framework (ICF) aims at helping the BBI JU to address different types of management issues and risks, so that reasonable assurance regarding the proper execution of the whole operational system has been gained.

Internal Control Standards are based on the same principles as applied by the Commission and adapted to the JU's context and specificities. The JU's ICS provide generic management principles and set out the minimum requirements for BBI JU control activities. The BBI JU Governing Board shall adopt the BBI JU Internal Control Standards (ICS).

## **5. MANAGEMENT ASSURANCE**

### **5.1.Assessment of the Annual Activity Report by the Governing Board**

The Executive Director submits the draft AAR to the Governing Board for assessment and approval within two months of the closure of the financial year (i.e. latest by end of February N+1). The Governing Board approves the AAR together with the annual accounts. Once approved by the GB, the AAR is made publicly available.

No later than 1 July of each year the AAR together with its assessment shall be send by the Executive Director to the Court of Auditors, to the Commission, to the European Parliament and the Council.

## **5.2. Elements supporting assurance**

Since the BBI JU was only established in May 2014 and as no Grant agreements were signed and no operational expenditures realised by 31 December 2014, no monitoring, controls or audits of the resources assigned to the activities were needed. All support expenditures were performed in accordance with the EC rules and procedures following the DG Research and Innovation business processes.

Upon autonomy the BBI JU will follow a set of Internal Control Standards (ICS), that define processes intended to provide reasonable assurance to the Governing Board regarding the achievement of the Bio-Based Industries Joint Undertaking's objectives. The ICS shall be adopted by the Governing board and shall involve all the measures taken to ensure that:

- Operational activities are effective and efficient. The BBI JU meets its objectives defined in the Annual Work Plan using the adequate human and financial resources and avoiding misuse;
- Legal and regulatory requirements are met. BBI JU operates in full accordance with all legal and regulatory requirements;
- Reporting is reliable. BBI JU management produces regular, reliable and easily accessible management information on financial management, use of resources and progress on the achievement of operational objectives;
- Assets and information are safeguarded. BBI JU managers take the measures necessary to ensure the completeness and preserve the integrity of the data on which management decisions are taken and reports are issued.

## **5.3. Results from audits during the reporting year and follow up of previous audits**

N.A.

## **5.4. Reservations**

N.A.

## **5.5. Overall conclusion**

During 2014 there were no transactions regarding the implementation of the BBI JU operational budget, thus no particular risks or weaknesses were faced.

# **6. ANNEXES**

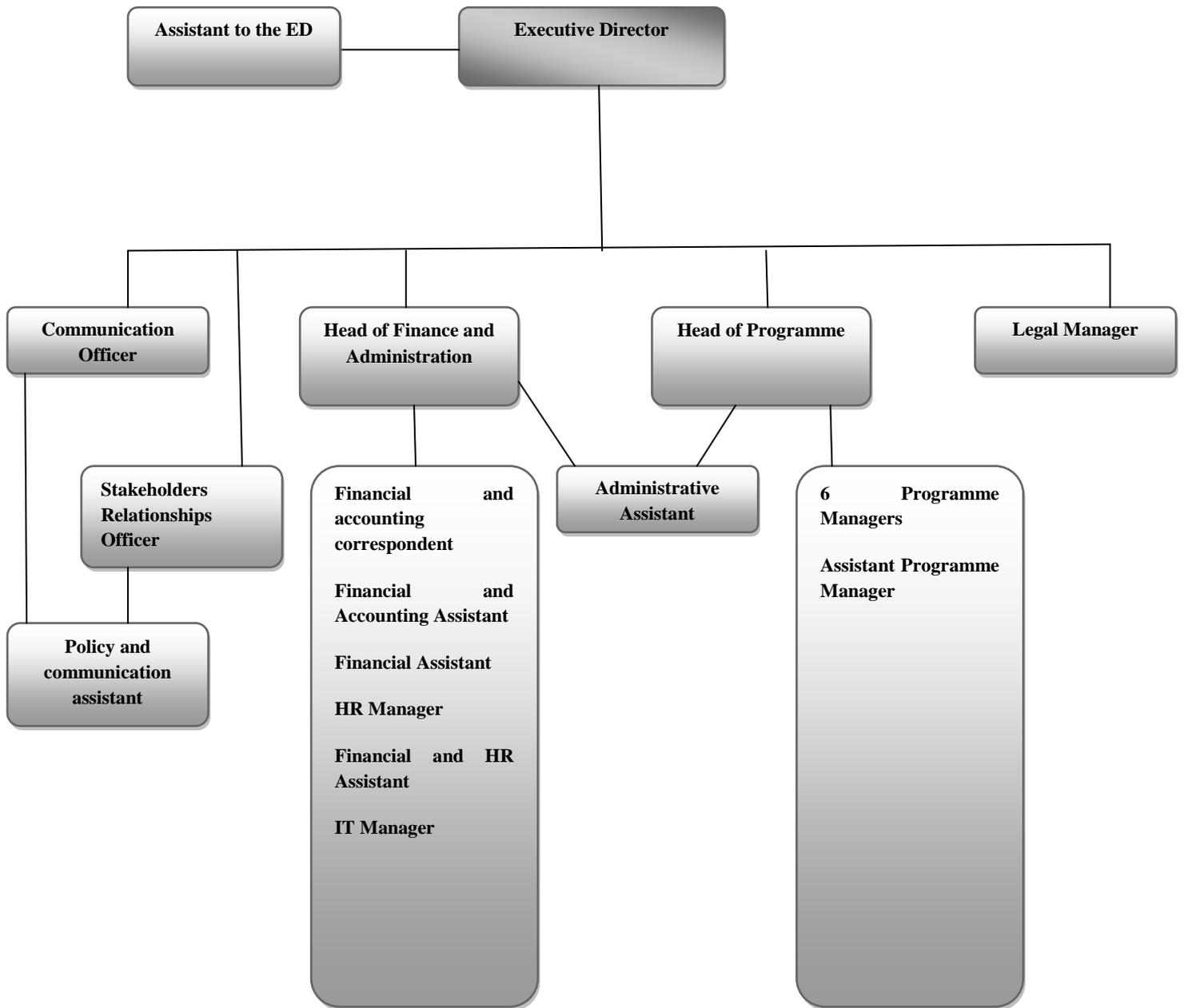
## **1. Organisational chart**

## **2. Staff Establishment plan**

- 3. Indicators & scoreboard of KPIs**
- 4. Draft/final annual accounts**
- 5. Scientific Committee members**
- 6. List of acronyms**

# Annex 1

## Organisation chart



## Annex 2

### Staff Establishment plan

Function group and grade	2014			
	Request of the Joint Undertaking		Draft Budget Request	
	Permanent posts	Temporary Posts	Permanent posts	Temporary Posts
AD 16				
AD 15				
AD 14		1		1
AD 13				
AD 12				
AD 11				
AD 10				
AD 9				
AD 8		1		1
AD 7				
AD 6				
AD 5				
AD total		1		1
AST 11				
AST 10				
AST 9				
AST 8				
AST 7		2		2
AST 6				
AST 5				
AST 4				
AST 3				
AST 2				
AST 1				
AST total		2		2
AST/SC 6				
AST/SC 5				
AST/SC 4				
AST/SC 3				
AST/SC 2				
AST/SC 1				
AST/SC total				
TOTAL		2		2
GRAND TOTAL		4		4

## Annex 3

### Indicators & scoreboard of KPIs

*The KPIs in the below tables are still under development*

**TABLE I**

#### Horizon 2020 Key Performance Indicators<sup>7</sup> common to all JTI JUs

	Key Performance Indicator	Definition/Responding to question	Type of data required	Data to be provided by	Baseline at the start of BBI (latest available)	Target at the end of BBI	Automated
<b>INDUSTRIAL LEADERSHIP</b>	SME - Share of participating SMEs introducing innovations new to the company or the market (covering the period of the project plus three years);	Based on Community Innovation Survey. Number and % of participating SMEs that have introduced innovations to the company or to the market;	Number of SMEs that have introduced innovations;	BBI beneficiaries through project reporting	n.a.	50%	Yes
	SME - Growth and job creation in participating SMEs	Turnover of company, number of employees	Turnover of company, number of employees;	BBI beneficiaries through project reporting	n.a.	to be developed based on FP7 ex-post evaluation and /or first BBI project results	Yes
	Patent applications and patents awarded in the area of the JTI	Number of patent applications by theme; Number of awarded patents by theme	Patent application number	BBI beneficiaries through project reporting; Responsible Directorate/Service (via worldwide search engines such as ESPACENET, WOPI)	n.a.	On average, 2 per €10 million funding in RIA projects	Yes

<sup>7</sup> (based on Annex II to Council Decision 2013/743/EU)

	<b>Key Performance Indicator</b>	<b>Definition/Responding to question</b>	<b>Type of data required</b>	<b>Data to be provided by</b>	<b>Baseline at the start of BBI (latest available)</b>	<b>Target at the end of BBI</b>	<b>Automated</b>
	Patent applications and patents awarded in the area of the JTI	Number of patent applications by theme; Number of awarded patents by theme	Patent application number	BBI beneficiaries through project reporting; Responsible Directorate/Service (via worldwide search engines such as ESPACENET, WOPI)	n.a.	On average, 2 per €50 million funding in Innovation projects	Yes
	Number of joint public-private publications in projects	Number and share of joint public-private publications out of all relevant publications.	Properly flagged publications data (DOI) from relevant funded projects	BBI beneficiaries through project reporting; Responsible Directorate/Service (via DOI and manual data input-flags)	n.a.	[To be developed on the basis of first BBI results]	Yes
	New products, processes, and methods launched into the market	Number of projects with new innovative products, processes, instruments, methods, technologies	Project count and drop down list allowing to choose the type processes, products, instruments, methods, technologies	BBI beneficiaries through project reporting	n.a.	[To be developed on the basis of first BBI results]	Yes
<b>EVALUATION</b>	Time to inform (average time in days) <u>all applicants</u> of the outcome of the evaluation of their application from the final date for submission of completed proposals	To provide applicants with high quality and timely evaluation results and feedback after each evaluation step by implementing and monitoring a high scientific level peer reviewed process	Number of days (average)	Joint Undertaking			Yes
	Time to inform (average time in days) <u>successful applicants</u> of the outcome of the evaluation of their application from the final date for submission of completed proposals		Number of days (average)	Joint Undertaking			Yes

	Key Performance Indicator	Definition/Responding to question	Type of data required	Data to be provided by	Baseline at the start of BBI (latest available)	Target at the end of BBI	Automated
	Redress after evaluations	To provide applicants with high quality and timely evaluation results and feedback after each evaluation step by implementing and monitoring a high scientific level peer reviewed process	Number of redresses requested	Joint Undertaking			
GRANTS	Time to grant measured (average) from call deadline to signature of grants	To minimise the duration of the granting process aiming at ensuring a prompt implementation of the Grant Agreements through a simple and transparent grant preparation process	Cumulatively in days Average under BBI (days) TTG < 270 days ( as %of GAs signed)	Joint Undertaking	n.a.]		Yes
	Time for signing grant agreements from the date of informing successful applicants (average values)		Average under BBI (days)	Joint Undertaking	n.a.		Yes
AUDITS	Error rate		% of common representative error; % residual error	CAS	n.a.		Yes
	Implementation of ex-post audit results		Number of cases implemented; in total €million; of cases implemented/total cases	CAS	n.a.		Yes
PAYMENTS	Time to pay (% made on time) -pre-financing - interim payment -final payment	To optimize the payments circuits, both operational and administrative, including payments to experts	Average number of days for Grants pre-financing, interim payments and final payments; Average number of days for administrative payments; Number of experts appointed	Joint Undertaking	n.a.	-pre-financing (30 days) - interim payment (90 days) -final payment ((90days)	Yes
HR	Vacancy rate (%)		% of post filled in, composition of the JU staff <sup>8</sup>	Joint Undertaking	n.a.		

<sup>8</sup> Additional indicators can be proposed/discussed with R.1 and/or DG HR

	<b>Key Performance Indicator</b>	<b>Definition/Responding to question</b>	<b>Type of data required</b>	<b>Data to be provided by</b>	<b>Baseline at the start of BBI (latest available)</b>	<b>Target at the end of BBI</b>	<b>Automated</b>
<b>JU EFFICIENCY</b>	Budget implementation/execution: 1. % CA to total budget 2. % PA to total budget	realistic yearly budget proposal, possibility to monitor and report on its execution, both in commitment (CA) and payments (PA), in line with sound financial management principle	% of CA and PA	Joint Undertaking		100% in CA and PA	Yes
	Administrative Budget: Number and % of total of late payments	realistic yearly budget proposal, possibility to monitor and report on its execution in line with sound financial management principle	Number of delayed payments % of delayed payments (of the total)	Joint Undertaking			Yes

**TABLE II****Indicators for monitoring H2020 Cross-Cutting Issues<sup>9</sup> common to all JTI JUs**

<b>Cross-cutting issue</b>	<b>Definition/Responding to question</b>	<b>Type of data required</b>	<b>Data to be provided by</b>	<b>Data to be provided in/to</b>	<b>Automated</b>
Widening the participation	2.1 Total number of participations by EU-28 Member State	Nationality of BBI applicants & beneficiaries (number of )	BBI applicants & beneficiaries at the submission and grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
	2.2 Total amount of EU financial contribution by EU-28 Member State (EUR millions)	Nationality of BBI beneficiaries and corresponding EU financial contribution	BBI beneficiaries at grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
	Total number of participations by Associated Countries	Nationality of BBI applicants & beneficiaries (number of )	BBI applicants & beneficiaries at the submission and grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
	Total amount of EU financial contribution by Candidate Country (EUR millions)	Nationality of BBI beneficiaries and corresponding EU financial contribution	BBI beneficiaries at grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
SMEs participation	3.1 Share of EU financial contribution going to SMEs (Enabling & industrial tech and Part III of Horizon 2020)	Number of BBI beneficiaries flagged as SME; % of EU contribution going to beneficiaries flagged as SME	BBI beneficiaries at grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
Gender	6.1 Percentage of women participants in BBI projects	Gender of participants in BBI projects	BBI Beneficiaries through project reporting		Yes
	6.2 Percentage of women project coordinators in BBI	Gender of scientific fellows, ERC principle investigators and scientific coordinators in other H2020 activities	BBI beneficiaries at the grant agreement signature stage		Yes

<sup>9</sup> (based on Annex III to Council Decision 2013/743/EU)

<b>Cross-cutting issue</b>	<b>Definition/Responding to question</b>	<b>Type of data required</b>	<b>Data to be provided by</b>	<b>Data to be provided in/to</b>	<b>Automated</b>
	6.3 Percentage of women in EC advisory groups, expert groups, evaluation panels, individual experts, etc.	Gender of memberships in advisory groups, panels, etc.	Compiled by Responsible Directorate/ Service/Joint Undertaking based on existing administrative data made available by the CSC		
International cooperation	7.1 Share of third-country participants in Horizon 2020	Nationality of BBI beneficiaries	BBI beneficiaries at the grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
	7.2 Percentage of EU financial contribution attributed to third country participants	Nationality of BBI beneficiaries and corresponding EU financial contribution	BBI beneficiaries at the grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
Bridging from discovery to market <sup>10</sup>	9.1 Share of projects and EU financial contribution allocated to Innovation Actions (IAs)	Number of IA projects	Project Office – at GA signature stage he/she will be required to flag on SYGMA. Responsible Directorate/Service (WP coordinator)/Joint Undertaking - via tool CCM2	JU AAR RTD Monitoring Report	Yes
	9.2 Within the innovation actions, share of EU financial contribution focussed on demonstration and first-of-a-kind activities	Topics properly flagged in the WP; follow-up at grant level	Responsible Directorate/Service (WP coordinator)/Joint Undertaking - via tool CCM2	JU AAR RTD Monitoring Report	Yes
	Scale of impact of projects (High Technology Readiness Level)	Amount of public & private funding to projects addressing TRL <sup>11</sup> RIA 3-5, DEMO 6-7, FLAGSHIP 8)	Joint Undertaking	JU AAR RTD Monitoring Report	
Sustainability	Contribution to the European objective of achieving 20% reduction in greenhouse gas emissions in 2020 (compared to 1990 levels);	Absolute number of CO2 savings achieved as result of the BBI projects	BBI beneficiaries at the end of the project	(to be further defined)	

<sup>10</sup> This indicator (9.2) is initially intended to monitor the Digital Agenda (its applicability could be only partial)

<sup>11</sup> TRL: Technology Readiness Level

<b>Cross-cutting issue</b>	<b>Definition/Responding to question</b>	<b>Type of data required</b>	<b>Data to be provided by</b>	<b>Data to be provided in/to</b>	<b>Automated</b>
Private sector participation	11.1 Percentage of BBI beneficiaries from the private for profit sector	Number of and % of the total BBI beneficiaries classified by type of activity and legal status	BBI beneficiaries at grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
	11.2 Share of EU financial contribution going to private for profit entities	BBI beneficiaries classified by type of activity; corresponding EU contribution	BBI beneficiaries at grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
Funding for PPPs	12.1 EU financial contribution for PPP (BBI JU) (Art 187)	EU contribution to PPP (Art 187)	Responsible Directorate/Service/	JU AAR RTD Monitoring Report	Yes
	12.2 PPPs leverage: total amount of funds leveraged through Art. 187 initiatives, including additional activities, divided by the EU contribution	Total funding made by private actors involved in PPPs - in-kind contribution already committed by private members in project selected for funding - additional activities (i.e. research expenditures/investment of industry in the sector, compared to previous year)	Joint Undertaking Services	JU AAR RTD Monitoring Report	
Communication and dissemination	13.3 Dissemination and outreach activities other than peer-reviewed publications - [Conferences, workshops, press releases, publications, flyers, exhibitions, trainings, social media, web-sites, communication campaigns (e.g radio, TV)]	A drop down list allows to choose the type of dissemination activity. Number of events, funding amount and number of persons reached thanks to the dissemination activities	BBI Beneficiaries through project reporting	JU AAR RTD Monitoring Report	Yes
Participation patterns of independent experts	14.2 Proposal evaluators by country	Nationality of proposal evaluators	Joint Undertaking in charge with the management of proposal evaluation		

Cross-cutting issue	Definition/Responding to question	Type of data required	Data to be provided by	Data to be provided in/to	Automated
	14.3 Proposal evaluators by organisations' type of activity	Type of activity of evaluators' organisations	Joint Undertaking in charge with the management of proposal evaluation		
Participation of RTOs and Universities	Participation of RTO <sup>12</sup> s and Universities in PPPs (Art 187 initiatives): RIA projects	Number of participations of RTOs to funded RIA projects and % of the total Number of participations of Universities to funded RIA projects and % of the total % of budget allocated to RTOs and to Universities	BBI beneficiaries at the grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
Participation of RTOs and Universities	Participation of RTO <sup>13</sup> s and Universities in PPPs (Art 187 initiatives): innovations actions	Number of participations of RTOs to funded innovation projects and % of the total Number of participations of Universities to funded innovation projects and % of the total % of budget allocated to RTOs and to Universities	BBI beneficiaries at the grant agreement signature stage	JU AAR RTD Monitoring Report	Yes
Ethics	The objective is ensuring that research projects funded are compliant with provisions on ethics efficiently	% of proposals not granted because non-compliance with ethical rules/proposals invited do grant (target 0%); time to ethics clearance 5target 45 days) <sup>14</sup>	Joint Undertaking	JU AAR RTD Monitoring Report	

**Notes:**

\*BBI applicants - all those who submitted BBI proposals

\*BBI beneficiaries - all those who have signed a BBI Grant Agreement

\*Responsible Directorate - DG RTD Directorates and R&I DGs family in charge with management of BBI activities

\*Services -Executive Agencies and other external bodies in charge with BBI activities

\*Project officer - is in charge of managing BBI projects in Responsible Directorate/Service including Executive Agencies

<sup>12</sup> RTO: Research and Technology Organisation

<sup>13</sup> RTO: Research and Technology Organisation

<sup>14</sup> Data relates to pre-granting ethics review. This time span runs in parallel to granting process.

**TABLE III****Key Performance Indicators specific for BBI JU**

Key Performance Indicator	Objective	Data to be provided by	Baseline at the start of BBI	Target at the end of BBI*	Automated
PPP-leverage - In-kind contributions committed by private members in projects selected for funding	Private funding balancing public funding in all project types	JU	n.a.	On programme level a total of 975 MEuro of private in-kind /in-cash funding leverages the public funding	
<u>PPP-leverage:</u> - <u>Private investments in innovative research and innovation infrastructure and facilities, dedicated equipment, demonstration plants, innovative flagship projects and production plants, etc.</u>	Additional private investments leveraging the public and private in-kind funding in the innovation projects	BIC	n.a.	On programme level a total of 1755 MEuro of private investments	
Ratio (%) of RIA, , demonstration and flagship projects	Reach an appropriate balance between research, innovation and deployment	JU	n.a.	On programme level reach a balance of 30 – 30 – 34 % (of public funding)	Yes
N° of new cross-sector interconnections in BBI projects	36 new cross-sector interconnections in bio-based economy clusters (new bridges creating cooperation between the 9 different sectors);	JU	n.a.	36	
New bio-based value chains realised	At least 10 new bio-based value chains (new products and feedstock);	JU	n.a.	10	
Number of new bio-based building blocks	5 new building blocks based on biomass of European origin validated at demonstration scale, further increasing to 10 in 2030;	JU	n.a.	5	Yes

Key Performance Indicator	Objective	Data to be provided by	Baseline at the start of BBI	Target at the end of BBI*	Automated
Number of new bio-based materials	50 new bio-based materials (eg. such as specialty fibres, plastics, composites and packaging solutions);	JU	n.a.	50	
Number of new bio-based 'consumer' products	30 new demonstrated 'consumer' products based on bio-based chemicals and materials;	JU	n.a.	30	
Number of flagship biorefinery plants	At least 5 flagships resulting from the BBI producing new bio-based materials, chemicals and fuels which have proven to become cost-competitive to the alternatives based on fossil resources (at least 1 per value chain);	JU	n.a.	5	Yes

\* *Intermediate targets would also need to be developed*

## Annex 4

### Draft Annual Accounts

In accordance with the Council Regulation 560/2014 setting up the Bio-based Industries Joint Undertaking (BBI JU), the BBI JU is financed through contributions from its Members, including cash contributions from the Union and the Bio-based Industries Consortium Aisbl (BIC) for its administrative costs and cash contributions from the Union and the Bio-based Industries Consortium Aisbl (BIC) for its operational activities (article 12 of its Statutes).

#### 1. Budget structure

The budget of the BBI JU is divided into 3 titles as follows:

Title 1: Staff expenditure

Title 2: Other administrative expenditure

Title 3: Operational expenditure

#### 2. Budget revenue

The commitments are paid over several years in accordance with contractual obligations.

The funding of the BBI JU budget 2014 was as follows:

Financial contribution (€)	Commitment appropriations	Payment appropriations	Cashed in 2014
<b>EU (including EFTA)</b>	<b>52,184,807</b>	<b>581,758</b>	<b>581,758</b>
of which Administrative	684,807	581,758	581,758
of which Operational	51,500,000	0	0
<b>Industry (BIC)</b>	<b>0</b>	<b>0</b>	<b>0</b>
of which Administrative <sup>1</sup>	0	0	0
of which Operational	0	0	0
<b>TOTAL REVENUES</b>	<b>52,184,807</b>	<b>581,758</b>	<b>581,758</b>

<sup>1</sup> due 2014 contribution of the Bio-based Industries Consortium Aisbl to the BBI JU administrative

costs will be included in subsequent years' BBI JU budgets.

#### 3. Budget expenditure

Budget execution at year end for fund source C1 reached 100% in terms of commitment appropriations and 100% in terms of payment execution.

**C1 credits (2014):**

<b>In €</b>	<b>Commitment appropriations</b>	<b>Committed</b>	<b>% committed</b>	<b>Payment appropriations</b>	<b>Paid</b>	<b>% paid</b>
Title 1 - Staff expenditure	47,975.35	47,975.35	100.00%	33,983.35	33,983.35	100
Title 2 - Other admin. exp.	636,831.65	636,831.65	100.00%	547,774.82	547,774.82	100
Total administrative costs	684,807.00	684,807.00	100.00%	581,758.17	581,758.17	100
Title 3 - Operational expenditure	51,500,000.00	51,500,000.00	100.00%	0.00	0.00	0.00
<b>Total</b>	<b>52,184,807.00</b>	<b>52,184,807.00</b>	<b>100.00%</b>	<b>581,758.17</b>	<b>581,758.17</b>	<b>100</b>

Other credits types not existing yet as BBI JU was set up in 2014 and 2014 funding only included C1 credits.

## Annex 5

### Scientific Committee Members

No.	SC member	Gender	Affiliation	Country
1	Kevin O'Connor, Chair	M	School of Biomolecular and Biomedical Science, University College Dublin	Ireland
2	Bruno Jarry, Vice-Chair	M	Senior Advisor to the Prime Minister's office, Paris	France
3	Calliope Panoutsou, Vice-Chair	F	Imperial College, London	UK/Greece
4	Stefan Bringezu	M	Wuppertal Institute for Climate, Environment and Energy	Germany
5	Uffe Bundgaard-Jørgensen	M	InvestorNet - Mermaid Venture, Kongens Lyngby	Denmark
6	Daan Dijk	M	Rabobank	Netherlands
7	Christian Huyghe	M	INRA	France
8	Harald Jahn	M	Division Natural Resources and Agro-Industry Projects Directorate, European Investment Bank	Germany
9	Vladimír Křen	M	Institute of Microbiology, Prague	Czech Republic
10	Lene Lange	F	Aalborg University	Denmark
11	Antonia Rojas	F	Biopolis S.L, Valencia	Spain
12	Ligia Martins	F	Instituto de Tecnologia Quimica e Biologica, Oeiras	Portugal
13	Anna Suurnäkki	F	VTT, Espoo	Finland

## **Anne 6**

### **List of Acronyms**

AAR – Annual Activity Report

ABAC - Accrual Based Accounting

BBI JU – Bio-based Industries Joint Undertaking

BIC – Bio-based Industries Consortium

DEMO – Demonstration actions

EFTA - European Free Trade Association

ERIAFF - European Regions for Innovation in Agriculture, Food and Forestry

ERRIN - European Regions Research and Innovation Network

EU – European Union

FLAGSHIP – Flagship actions

FP7 – 7<sup>th</sup> Framework Programme

FR – Financial regulation

GB – Governing Board

ICF – Internal Control Framework

ICS – Internal Control Standards

ITRE - Committee on Industry, Research and Energy

JTI – Joint Technology Initiatives

KPIs – Key Performance Indicators

MEPs – Members of the European Parliament

RIA - Research and innovation actions

RTOs – Research and Technology Organisations

SC – Scientific Committee

SIRA - Strategic Innovation and Research Agenda

SMEs – Small and Medium Enterprises

SRG – State Representatives Group

TRL - Technology Readiness Level

WP – Work Plan

WP2014 – 2014 Work Plan