



Germany's Grant Programme for Funding Electric Transit Buses

English summary of „Richtlinien zur Förderung der Anschaffung von Elektrobussen im öffentlichen Personennahverkehr“ by the Federal Ministry for the Environment, Nature conservation and Nuclear Safety (BMU)

1. What is the goal of the funding program?

The program aims at supporting the market penetration of electric buses in Germany. As lighthouse projects, the funded projects will also generally increase interest in electric buses, so that the funding program will indirectly contribute to the technology's further dissemination. The specific aim is to subsidize at least 100 to 150 electric buses. This alone will reduce greenhouse gas emissions by up to approx. 10,000 tCO₂-eq. annually. Since the subsidy should lead to a change in the overall bus fleet in the future, as much as 2.5 million tCO₂-eq. could be reduced every year. The promotion of electric buses in public transport should complement current measures of the Federal Government to fulfill the climate and environmental protection goals and support the market penetration of existing, highly efficient vehicle technologies.

2. What is being funded?

The Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB) supports the procurement of

- diesel-electric hybrid buses with external charging (plug-in hybrid buses)
- battery-electric buses (battery buses) which are operated purely electrically in the vehicle without additional power generation and
- the charging infrastructure in connection with the purchase of buses

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For this purpose, the BMU developed the "*Guidelines for the Promotion of the Purchase of Electric Buses in Public Transport*" and had it approved by the European Commission.

General requirements for the technologies to be supported as well as the conditions for promotion are set out in the above-mentioned Promotion Guideline under Number 4.

3. Who can apply for a grant?

Entitled to apply are companies whose task is to transport people by public transport. A meaningful combination¹ of several public transport companies to implement a joint project is possible. Each transport company in the association must submit a separate application with reference to the business cooperation.

Not eligible are the manufacturers of vehicles eligible under the directive or their components, as well as companies whose purpose is the distribution of vehicles. The Federal Government, the Federal States as well as their institutions and authorities responsible for public transport services are also not entitled to apply for a grant.

Incidentally, the provisions of the funding guidelines apply.

4. For how much can a grant be awarded?

The funding is subject to the guidelines for State Aid for Environmental Protection and Energy 2014 – 2020. It takes the form of project funding by means of a share financing as non-repayable investment subsidy and is limited to a maximum amount.

The maximum allowable aid amount for plug-in hybrid buses and the charging infrastructure (2.1 and 2.3 of the Promotion Guideline) is 40% of the eligible additional investment costs.

For battery electric buses, according to No. 2.2 of the Promotion Guideline, the maximum allowable aid is 80% of the eligible additional investment costs. The eligible additional investment costs are understood in relation to the costs of conventional diesel bus deployment and according to the requirements of the environment goals the support project is designed to achieve. In No. 5.1 of the Promotion Guideline, additional costs are explained in more detail.

If an investment subsidy to a company exceeds 15 million euros, an individual notification of the aid to the European Commission is necessary. If such a case is foreseeable, it is recommended to consult the competent authority before commencing any action.

¹ The appropriateness of cooperation is examined on a case-by-case basis.

5. How does the application process work?

The application procedure is two-tiered. In the first stage, interested parties develop and submit a meaningful project outline in which the conditions for possible funding are to be proven. If the conditions have been fulfilled and the project outline is selected, the second stage follows with the invitation to submit a formal application for funding.

5.1 Project outlines (Level 1)

During the first stage of the procedure, meaningful project outlines are written and submitted to BMU electronically and as a signed paper version until a specified deadline.

a) Requirements for the project outlines

The sketch should be written with the following outline (maximum 10 pages):

- Presentation of the project using the following information:
 - Number of new battery and / or plug-in hybrid buses to purchase
 - Provided energy supply of ancillary units (heating, air conditioning, other ancillaries)
 - Integration in the vehicle fleet (size of the vehicle fleet, replacement of diesel buses (with indication of the emission standard of the respective vehicles) or additional procurement)
 - The intended vehicle use (e.g., which line, linear or not, urban area, day/night)
 - Comprehensible quantification of greenhouse gas reduction (avoided CO₂ per kg year and percentage)²
 - Reduction of other emissions (air pollutants, noise) quantitatively
 - If preferential promotion in areas exceeding the allowable air pollution limits³ and/or in areas with increased traffic noise, additional information is required (such as presentation of exceedance values of the affected measuring stations or equivalent model calculations and/or presentation of a noise map according to BImSchG)
- Resource planning of the prospective customer (total costs/total expenses, funding requirements, debt and own funds),
- Justification of the need for support on the basis of a comprehensible profitability calculation over the total useful life of the vehicles (TCO calculation),
- project organization and schedule,
- project-related public relations (information and communication concept, for example: planned press work, lectures, events, internet/social media)
- short self-presentation of the interested parties,

² related to the total procurement: savings compared to the replaced vehicles or - with additional procurement – to current comparable Euro VI diesel bus models

³ according to the 39th BImSchV

- The profitability calculation and other attachments, such as noise maps, are to be uploaded separately as an attachment to the project outline in pdf format.

If several partners join together to implement a joint project, the partners should collaborate in a written cooperation agreement and appoint one coordinator, who acts as a central contact for the funder. The project outline is to be submitted by the designated joint coordinator.

b) Evaluation of the project outlines

Provided compliance with the guidelines in the promotion of the purchase of electric buses in public transport in Section 4, the project outlines will be included in the evaluation process and rated according to the following criteria:

| Criteria | Description |
|-----------------|--|
| K1 | Presentation of the overall concept Influential criteria are in particular <ul style="list-style-type: none"> • Number of new battery or plug-in hybrid buses and integration in the fleet (Ratio of promoted buses to the size of the fleet, replacement of diesel buses, Euro standard or additional procurement) • Energy supply of ancillary units (if possible electric) • Schedule (expected use of the subsidized vehicles) |
| K2 | Reduction of greenhouse gas (CO ₂), avoided CO ₂ emissions per year and percentage and ratio between the amount of avoided greenhouse gas emissions and support needs |
| K3 | Contribution to compliance with air quality limit values and improvements with regard to the specifications of the EU Environmental Noise Directive (reduction potential of the vehicles) |
| K4 | Exemplary effect, transferability of results and visibility through public relations |

5.2 Grant applications (Level 2)

In the second stage, the submitters of the project outlines selected in the first stage are invited to make a formal application for funding using "[easyonline](#)". For joint projects, each partner has to submit a separate application with reference to the business cooperation. The grant applications within the joint project are to coordinate with each other.

Applicants must submit the following statements as part of the application process – if they have not yet been submitted in the context of the previous submission:

- the delivery promise of a bus manufacturer concerning the vehicles included,
- for plug-in hybrid buses, a manufacturer's certificate with reliable and binding information to comply with the environmental standards required in the funding guidelines in section 4.b),
- proof of the use of renewable energy sources for the charging of vehicles,
- a credit check,
- a financing plan (breakdown of relevant expenditures with an overview of the intended financing of the project, indication of third party funding) and
- a statement that the project has not yet started

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