

## **GUIDE FOR APPLICANTS**

**Annex to the  
Call for Proposals  
PROINNOEurope-ENT-CIP-09-C-N02S005**

**PRO INNO Europe<sup>®</sup>:  
Better policies and instruments in support of  
eco-innovation**

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## I. Introduction

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This Guide for Applicants contains the information needed to guide applicants in preparing a proposal to the PRO INNO Europe® initiative Better policies and instruments in support of eco-innovation.

It describes in detail the requirements for applicants and contains all necessary forms to be used and included in the proposal. It contains references to other documents, reports and forms that are of assistance in the preparation of the proposal.

The Competitiveness and Innovation Framework Programme (CIP) is the legal base for this Call.<sup>1</sup> This Call for proposals is based on Articles 13, 14, 15, and 16 of the CIP Decision<sup>1</sup>. It has the objective to implement this measure within the framework of the PRO INNO Europe® initiative as stipulated in the work programme of the Entrepreneurship and Innovation Programme (EIP), which is one of the three specific programmes under the CIP. The EIP aims at supporting, improving, encouraging and promoting (a) access to finance for the start-up and growth of SMEs and investment in innovation activities; (b) the creation of an environment favourable to SME cooperation, particularly in the field of cross-border cooperation; (c) all forms of innovation in enterprises; (d) eco-innovation; (e) entrepreneurship and innovation culture; (f) enterprise and innovation-related economic and administrative reform.

Before preparing a proposal, applicants should consult the CIP Decision<sup>1</sup>. Applicants should also pay particular attention to the model grant agreement. It specifies the contractual terms and conditions to which applicants will be expected to agree if their proposal receives an award for funding.

The call is in full compliance with the Financial Regulation and its Implementing Rules. Please consult the relevant Regulations, with particular attention to Title VI describing the rules and conditions applicable for grants.<sup>2</sup>

**Please note that this Guide for Applicants does not supersede the rules and conditions laid out, in particular, in Council and Parliament Decisions relevant to the CIP and the work programme of the EIP.**

## II. Specific information for the call

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This section will provide some specific information for the call, putting the call into the context of the CIP and detailing the objectives of the call.

This call for proposal complements the already published (December 2008 – February 2009) call for proposals PROINNOEurope-ENT-CIP-09-C-N02S00. This call corresponds to Strand 4 of the previous call.

Action	Strand
Action 1: INNO-Nets	Strand 1 - INNO-Partnering Forum
	Strand 2 - Better policies and instruments in support of world-class clusters
	Strand 3 – Better policies and instruments in support of innovation in services

<sup>1</sup> Decision No 1639/2006/EC of 24/10/2006 of the European Parliament and of the Council establishing the CIP, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:310:0015:0040:EN:PDF>

<sup>2</sup> Financial regulation: Council Regulation 1605/2002 of 25 June 2002; Implementing rules: Commission Regulation; 2342/2002 of 23 December 2002.

	<b>Strand 4 – Better policies and instruments in support of eco-innovation</b>
Action 2: INNO-Actions	Strand 5 – European Innovation weeks
	Strand 6 – European Initiative for Excellence of Cluster Organisations

The proposed action closely reflect the recommendations of the Communication "Putting knowledge into practice: A broad-based innovation strategy for the EU"<sup>3</sup>, notably in relation to making the EU more innovation friendly through wide partnerships involving consumers and citizens and by promoting cooperation between stakeholders. Therefore, the actions will bring together public actors responsible for innovation with a view to fostering trans-national cooperation on support for innovation through different instruments.

## II.4 Strand 4 - Better policies and instruments in support of eco-innovation

### II.4.a Context

Innovative environment-friendly technologies and methods are needed to address the environmental challenges faced by Europe and the world, such as climate change, scarcity of natural resources or the loss of biodiversity. At the same time, developing and using these solutions opens up new technology fields and creates new business opportunities – eco-innovation is becoming a driver for future growth.

Public policies need to prepare the right conditions for eco-innovation to flourish, to ensure that it delivers on promises, both in terms of environmental protection and competitiveness. 'Championing eco-innovation policy' will build on the work done under the Environmental Technologies Action Plan (ETAP) and contribute to its further implementation.

### II.4.b Objectives

The main objectives of this action are:

- Further understanding eco-innovation dynamics and the role of public policies: eco-innovation is a new policy field, with few specific programmes developed in participating countries and scarce data on its importance and dynamics. While the 'eco-innovation platform' and 'eco-innovation observatory' under Europe INNOVA will seek to better understand these dynamics and analyse data sources, the INNO-Net should develop expertise on the role to be played by public policies and actors in this field, in particular innovation agencies and programmes, most efficient approaches and results to be expected.
- Identifying best practices in participating countries and preparing the ground for their extension: the national roadmaps prepared by participating countries in the framework of ETAP include a number of programmes and policy instruments supporting the development of eco-innovation. The High-Level Group of experts following the implementation of ETAP identified several best practices for further analysis and exchange of experience. Based on this work and any other relevant information, the INNO-Net should further identify and analyse best policy practices, explore ways of evaluating and benchmarking their results,

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<sup>3</sup> COM(2006) 502 final.

implement concrete exchanges of good policy practices leading to actual transfers of experience or extension of best practices.

- Three policy areas look promising at this stage: Green Public Procurement, policies supporting innovative waste and recycling management, international cooperation in diffusing environmental technologies. Without excluding other fields of actions, the INNO-Net should explore these three areas in particular, analysing how public policies work in practice in these fields, existing instruments and methods, how the support provided to eco-innovation could be optimised, with a view to facilitate the cooperation between participating countries in the transfer of successful solutions and make recommendations to innovation actors. The support provided to SMEs by eco-innovation policies should be analysed in particular.

- Raising awareness and promoting eco-innovation policies: efficient eco-innovation policies should be encouraged and promoted among eco-innovation actors, including eco-innovative businesses, in order to accelerate their development and optimise their impact on eco-innovation on the ground. By raising awareness on the issues at stake, on the role of public policies and best practices, the INNO-Net should contribute to the diffusion of information towards eco-innovation actors on the ground and to the reinforcement of the 'eco-innovation community'. Synergies with the Eco-innovation Forum implemented under ETAP will be investigated for this purpose.

This action should build upon the activities of the Environmental Technologies Action Plan (ETAP) and related EU policies in particular the Lead Markets Initiative and Sustainable Consumption and Production, as well as related policies in participating countries. Close relationship will be established with the 'Eco-innovation platform' and the 'Observatory of eco-innovation' under the Europe INNOVA initiative.<sup>4</sup>

#### II.4.c Targeted applicants and experience required

**Strand 4 is aimed at a maximum of 1 consortium** with a minimum of three and a maximum of seven partners established in minimum three different eligible countries (see chapter IV.1) **that shall be composed by** Public organisations such as national and regional public authorities and public innovation funding agencies or other organisations acting on behalf of a public authority, responsible for the design and/or implementation of innovation support programmes and actions and involved in the support to eco-innovation.

- Each partner should be prepared to strengthen their own efforts to support the emergence and growth of eco-innovation, both through their own activities and through activities developed jointly with other institutions in the same or in other countries.
- Each partner should be prepared to develop strategies on the promotion of eco-innovation, to develop expertise on understanding and assessing public policies and instruments supporting eco-innovation, to identify specific needs of eco-innovation actors and develop new business services addressing these needs.
- Participating organisations should have an interest to strengthen the trans-national cooperation between eco-innovation stakeholders to create strategic linkages among ministries, innovation agencies, educational institutions and business to enable mutual policy learning and search for better practices.
- Each partner should be prepared to undertake the role of team-leader for one activity (work package) of the project.

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<sup>4</sup> Related links include: [http://ec.europa.eu/environment/etap/index\\_en.htm](http://ec.europa.eu/environment/etap/index_en.htm)  
[http://ec.europa.eu/environment/eussd/escp\\_en.htm](http://ec.europa.eu/environment/eussd/escp_en.htm)  
[http://ec.europa.eu/environment/gpp/index\\_en.htm](http://ec.europa.eu/environment/gpp/index_en.htm)  
<http://ec.europa.eu/enterprise/leadmarket/leadmarket.htm>

#### **II.4.d Activities to be undertaken by the selected projects**

The activities (1) - (5) are all mandatory and will be launched through one grant agreement.

##### **(1) Setting up and coordination of a reflection group on eco-innovation policies**

A reflection group on eco-innovation policies shall be established to provide strategic expertise on the role of public policies and actors, in particular innovation agencies and programmes, in supporting the development and market take-up of eco-innovative solutions. This reflection group will work in close cooperation with the ETAP High-Level Group, which will act as an Advisory Board vis-à-vis the INNO-Net. The reflection group will provide in particular:

- A roadmap identifying the main steps, rationale and possible obstacles for the implementation of the initiative on 'Championing eco-innovation policy', assessing the scope for better trans-national co-operation in support of eco-innovation, for exchanging experience and cross-fertilising public policies, and proposing clear targets and indicators to ensure the follow-up of the initiative; this roadmap will be updated regularly during the project and will integrate the work of the INNO-Net working groups;
- Expert analysis of the national roadmaps prepared by participating countries for the implementation of ETAP and of other relevant material such as the analysis of national strategies on eco-innovation prepared by OECD; proposing a method for identifying best practices, for evaluating or benchmarking public policies and programmes in this field;
- Sectoral analysis of the main areas in which trans-national co-operation could take place, in particular in the three areas identified in this call – Green Public Procurement, waste and recycling policies, international cooperation;
- The reflection group shall be composed of around 10 members representing public authorities and innovation agencies in participating countries, with a small core group liaising with the ETAP High-Level Group and Commission services. Members should work on a continuous basis, with regular meetings and using the necessary IT tools.

The main outcome of the reflection group should be the roadmap for the implementation of the initiative, which should be discussed with the ETAP High-Level group and regularly updated. The expert analysis of roadmaps and sectoral areas will take the form of reports or reflection papers, to be discussed with relevant working groups to feed into their work. The final version of reports and papers should be made publicly available.

##### **(2) Setting up and coordination of a working group on Green Public Procurement**

The working group on Green Public Procurement (GPP) should be established with a view to taking stock of existing initiatives and instruments, analysing how supporting policies work in practice, how these policies could benefit from each other's experience, and with the help of the reflection group analysis: the scope for more trans-national cooperation in this field. The working group will consider in particular the instruments developed at EU level (GPP toolkit and knowledge base) and how these instruments could be diffused and best used by local practitioners.

The working group should be established with a balanced representation of project partners and other eco-innovation actors with an expertise on GPP, networks and services in support of public purchasers.

The main deliverable will be a report prepared with concrete proposals for action. Pilot actions will be identified and implemented by the working group, and will feed into the reports and conferences of the INNO-Net.

### **(3) Setting up and coordination of a working group on Waste and Recycling**

The working group on Waste and recycling policies should be established with a view to taking stock of existing initiatives and instruments, analysing how supporting policies work in practice, how these policies could benefit from each other's experience, and with the help of the reflection group analysis: the scope for more trans-national cooperation in this field. The working group will consider among others the policies identified in the framework of ETAP: UK National Industrial Symbiosis Programme, Belgium and Italian databases on recycled products.

The working group should cooperate closely with the Recycling Public Procurement Network launched under the Lead Market Initiative.

The working group should be established with a balanced representation of project partners and other eco-innovation actors with an expertise on waste and recycling policies and instruments.

The main deliverable will be a report prepared with concrete proposals for action. Pilot actions will be identified and implemented by the working group, and will feed into the reports and conferences of the INNO-Net.

### **(4) Setting up and coordination of a working group on International Cooperation, Investment and Trade**

The working group on International Cooperation, Investment and Trade should be established with a view to taking stock of existing initiatives, best practices and instruments. Areas to be covered include cooperation, investment and trade agreements (multilateral, regional and bilateral), funding and support programmes, trade and business promotion etc. With the help of the reflection group analysis, the WG should also look into the scope for more trans-national cooperation in this field.

The working group could focus on one region/market, in particular emerging economies such as China, Russia, India or Brazil, and see how a policy that has worked well in one country/region could be applied to another. Specific attention also needs to be paid to Mediterranean countries and to the needs of less developed countries.

The working group should be established with a balanced representation of project partners and other eco-innovation actors with an expertise on international cooperation and related programmes and actors.

The main deliverable will be a report prepared with concrete proposals for action. Pilot actions will be identified and implemented by the working group, and will feed into the reports and conferences of the INNO-Net.

### **(5) Outreach activities**

A specific working group will prepare and implement appropriate communication activities, with the aim to trigger or facilitate the transfer of knowledge and experience to national or regional policy-makers and eco-innovation actors, including businesses, in the EU and other participating countries. This should include in particular:

- A dedicated section on the ETAP web portal, with appropriate links to EU and national policies. The action should also be presented on the PRO INNO Europe® public web portal;
- Workshops with the parties interested in the transfer of successful policy schemes;
- Conferences – at least one for each of the three policy areas identified in this call – presenting best practices, discussing trans-national cooperation and the results of pilot actions;
- Appropriate coverage by the media on the initiative, publications and events.

The communication strategy should be coordinated with that of ETAP in order to build on synergies. In particular, the conferences will be coordinated with the ETAP Forum on Eco-innovation and may take the form of Forum events.

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### **III. Financial and miscellaneous information**

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#### **III.1 Financial information**

The estimated budget available for this action is 3.000.000 Euro. Maximum 1 proposal will be awarded for funding.

During the period of implementation of the project which will be up to 36 months, the Union financial contribution for the innovation activities will be up to 95%.

The beneficiary shall provide evidence of the co-financing provided, either by way of own resources, or in the form of financial transfers from third parties or in kind. The Commission reserves the right to award a grant of less than the amount requested by the applicant. Grants will not be awarded for more than the amount requested.

#### **III.2 Project management**

The project will ensure a professional management. The project management task will include all activities necessary to successfully execute the project. It will include in particular project control, risk assessment, performance monitoring, decision making structures, reporting activities (including mid-term and final reports) and maintenance of a consortium agreement.

Proposals will have to demonstrate excellence in managing European projects of the relevant dimension. The quality of the management plan and the management structure will be key factors for the success of the project, particularly in case of a large consortium. A detailed description should be provided in the proposals.

#### **III.3 Mid-term review**

A mid-term review for each project will be organised by the Commission after the first half of the project duration to assess the work carried out during the first reporting period. The review may be carried out by the Commission services alone, or with the support of external experts appointed by the Commission. The review may be based only on the written material submitted by the project (reports and deliverables), or may additionally involve a “hearing and/or review procedure” with project representatives. The review will analyse the project performance indicators and assess the degree of fulfilment of the project work plan. The outcome of the review may include technical recommendations to be taken into account in the project’s planning for the work of the next period. If, as a result of the review, there is reason to believe that the project has deviated from its declared aims or is in some other way unable to achieve its goals, the outcome of the review might involve continuation of the financial support from the European Commission being made conditional on a re-focusing of the project on modified goals, or it may recommend the suspension of part or all of the project.

#### **III.4 Desk checks**

Besides the aforementioned mid-term review, the Commission may conduct desk checks at any time during the project duration. These desk checks constitute audits in the sense of the article II.21.3 of the model grant

agreement. They include personnel cost, for which time sheets, salary slips and calculation of productive hours could be requested, travel cost and other specific cost.

### III.5 Promotion of activities

To maximise the benefits of the results, the project, shall be presented as an integral part of the PRO INNO Europe® initiative. PRO INNO Europe® is a registered trademark of the European Commission. During the implementation period, *all beneficiaries* will use the PRO INNO Europe® trademark in all their activities related to their contractual obligations.

Furthermore, each strand will have to closely cooperate with the service provider responsible for the action "Promotion of PRO INNO Europe® Results", which shall facilitate the networking of PRO INNO Europe® stakeholders, notably those involved in the INNO-Nets and INNO-Actions, and the continuous and systematic promotion and dissemination of the results and services developed under PRO INNO Europe®.

To this end, the project will regularly contribute with relevant material, project results, news articles and recommendations to the above-mentioned service provider and participate in relevant events and workshops organised by the "Promotion of PRO INNO Europe® Results" service contract. All activities developed by the projects relevant to be disseminated online will need to be disseminated through dedicated PRO INNO Europe® portal pages developed by the "Promotion of PRO INNO Europe® Results" service contract in agreement with the project partners. These stipulations will become an integral part of the grant agreement.

### III.6 References

For further information on PRO INNO Europe®, see <http://www.proinno-europe.eu/>;

For further information on the INNO-Learning Platform, see <http://www.proinno-europe.eu/learning-platform/>;

For further information on The Innovation Policy Project in Services INNO-Net project (IPPS INNO-Net), see <http://www.proinno-europe.eu/ipps>.

For further information on the European Knowledge Intensive Service Innovation Platform (KIS-IP), see <http://www.europe-innova.org/KIS-IP>;

For further information on the Environmental Technologies Action Plan (ETAP) and related activities as well as relevant research projects, see [http://ec.europa.eu/environment/etap/index\\_en.htm](http://ec.europa.eu/environment/etap/index_en.htm), [http://ec.europa.eu/environment/eussd/escp\\_en.htm](http://ec.europa.eu/environment/eussd/escp_en.htm), [http://ec.europa.eu/environment/gpp/index\\_en.htm](http://ec.europa.eu/environment/gpp/index_en.htm),

For further information on the Report of the Environmental Technologies Action Plan 2005-2006 (SEC(2007) 413, COM(2007)0162 final, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0162:FIN:EN:HTML>;

For further information on the assessment of ETAP National Roadmaps with regard to their eco-innovation potential, see:

[http://praxis.iteration.be/environment/etap/files/env-map\\_projekt2\\_finalreport\\_maindocument\\_final\\_030910.pdf](http://praxis.iteration.be/environment/etap/files/env-map_projekt2_finalreport_maindocument_final_030910.pdf)

For the purpose of this document, **cluster organisations may be considered** as the legal entity engineering, steering and managing the clusters, including usually the participation and access to the cluster's premises, facilities and activities.<sup>5</sup>

Furthermore, the Commission encourages the complementary use of all the EU funding sources available to support innovation<sup>6</sup>, as outlined in its "Practical Guide to EU Funding Opportunities for Research and Innovation" (cf. <<http://www.europe-innova.org/index.jsp?type=page&cid=10539&lg=en>>). Applicants may therefore check for potential synergies of their proposal with the innovation measures funded under Cohesion policy by getting in touch with the managing authorities in charge of the Structural Funds programmes in their region.<sup>7</sup> This applies to the SMEs not being beneficiaries under this call but who would apply as volunteers to test the tools developed under this call<sup>8</sup>.

Funding opportunities may also exist in the cross-border and trans-national operational programmes for which the regions involved in the project may be eligible.<sup>9</sup> Although Structural Funds operational programmes in most regions of the EU contain some support for innovation, it will not always be the case that complementary funding sources will be available for a particular project.

## **IV. Requirements for applicants**

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### **IV.1 Eligible applicants**

Applicants eligible to submit proposals are groups of organisations (referred to as 'consortia') from Member States of the EU or from other countries participating in the innovation actions under the EIP on the basis of Article 4 of the CIP Decision.

The EU Member States are: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom.

The following non-member countries participate in the innovation actions under the EIP: Norway, Iceland, Liechtenstein, Croatia, the Former Yugoslav Republic of Macedonia, Montenegro, Albania, Israel, Turkey and Serbia. Organisations based in these countries are eligible on the same conditions as those from EU Member States to apply in a consortium.<sup>10</sup>

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<sup>5</sup> This definition follows the description concerning aid for innovation clusters that features in the "Community Framework for State Aid for Research and Development and Innovation". See section 5.8 on 'Aid for innovation clusters' of the text of the Community Framework that was published in the Official Journal of the European Union in December 2006 (2006/C 323/01) and that is available at [http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/c\\_323/c\\_32320061230en00010026.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/c_323/c_32320061230en00010026.pdf)

<sup>6</sup> See notably the Communication "Competitive European Regions through Research and Innovation", COM(2007)474 of 16 August 2007

<sup>7</sup> Contact details for the managing authorities and summaries of the regional/national/cross-border/trans-national operational programmes can be found at <[http://ec.europa.eu/regional\\_policy/atlas2007/index\\_en.htm](http://ec.europa.eu/regional_policy/atlas2007/index_en.htm)>.

<sup>8</sup> For further information on being a volunteer and in general on the different roles for the applicants, see the Partner Search Tool available at <http://www.proinno-europe.eu/index.cfm?fuseaction=page.display&topicID=434&parentID=0>.

<sup>9</sup> For funding opportunities for inter-regional networks, please check the possibilities under INTERREG IV C (<http://www.interreg4c.net/>) and URBACT II (<http://urbact.eu/>).

<sup>10</sup> For the latest information on participation of non-member countries in the EIP, please consult the CIP website ([http://ec.europa.eu/enterprise/international\\_relations/competitiveness\\_innovation/index\\_en.htm](http://ec.europa.eu/enterprise/international_relations/competitiveness_innovation/index_en.htm)). Grants can only be awarded to organisations from those countries where the agreement on the participation of the country in the EIP has come into force.

## **IV.2 Special conditions for participation in strand 4**

The minimum number of participants has been set at three independent legal entities established in minimum three different eligible countries. A maximum number of participants has also been set at seven to mobilise those most committed to deliver tangible results and to work together in support of innovative SMEs in Europe.

The consortia shall be composed of partners representing public organisations such as national and regional public authorities and innovation agencies or other organisations in support of innovation involved in financing and/or managing an innovation programme on behalf of a public authority, such as cluster organisations and Chambers of Commerce. In order to prove eligibility, you find enclosed in Annex 3 the forms which should be filled in by the cluster organisations and by the public authorities themselves which are financing and/or managing an innovation programme or initiative (or by bodies mandated to manage an innovation programme on behalf of a public authority). Please note that in the absence of such a legitimate declaration, proposals will be considered non-eligible. In case that the requirement of partners financing or managing innovation programmes is evidently not met, the proposal will not pass the selection phase. Other innovation agencies or public bodies may be associated through participation in the “reflection groups” or the further implementation of the specific actions.

## **IV.4 Use of specialised external experts and contractors**

Where implementation of the project activities requires the award of procurement contracts, beneficiaries of grants are reminded of the applicability of Art. 184 and Art. 184A of the Implementing Rules of the Financial Regulation". They shall award the contract to the tender offering best value for money, that is to say, to the tender offering the best price-quality ratio in compliance with the principles of transparency and equal treatment for potential contractors, care being taken to avoid any conflicts of interest. This means that the award of procurement contracts should be subject to a competitive procedure. Exceptions to this general rule may be accepted (i.e. in the case of a "natural monopoly") but will have to be justified. The award of procurement contracts shall be made in full compliance of the conditions specified under the article II.9 of the model grant agreement (see Annex 7).

Where implementation of the assisted actions requires the award of a procurement contract with a value of more than €60 000, the authorising officer responsible may require beneficiaries to abide by special rules based on rules contained in the Financial Regulation and determined with due regard for the value of the contracts concerned, the relative size of the European Union contribution in relation to the total cost of the action and the risk. Such special rules shall be included in the grant decision or agreement.

The award of procurement contract will be possible only after the signature of the grant agreement, based on detailed ex-ante description of the work and of the estimated cost to perform the tasks. Award of contracts shall be facilitated by making the widest possible use of electronic communication platforms such as the PRO INNO Europe® and Europe INNOVA web portals. In-house consultants will need to be categorised as contractors.

The applicants need to clearly specify the types of contractors or experts they foresee, the basis on which they will be employed and demonstrate how the work of contractors or experts is integrated into the work plan. Core tasks may not be the object of procurement contracts.

These provisions apply also in cases that international co-operation with legal entities established in other third countries than those referred to under chapter IV.1 is part of the activities proposed.

## V. Evaluation and award procedure

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### V.1 Overview

For details of the proposal submission, please refer to chapter VI below.

The evaluation of proposals will be based on the principles of transparency and of equal treatment. It will be carried out by the European Commission with the possible assistance of independent experts. Three sets of criteria (eligibility, selection and award) will be applied to evaluate the submitted proposal. The three sets of criteria are described below.

Only proposals meeting the requirements of the eligibility criteria shall be evaluated further. Each of the eligible proposals will be individually assessed in accordance with the award and selection criteria.

Proposals that have scored greater than or equal to the threshold specified below will be ranked within the strand. These rankings will determine the establishment of an implementation plan, i.e. the order of priority for funding resulting from the evaluation phase.

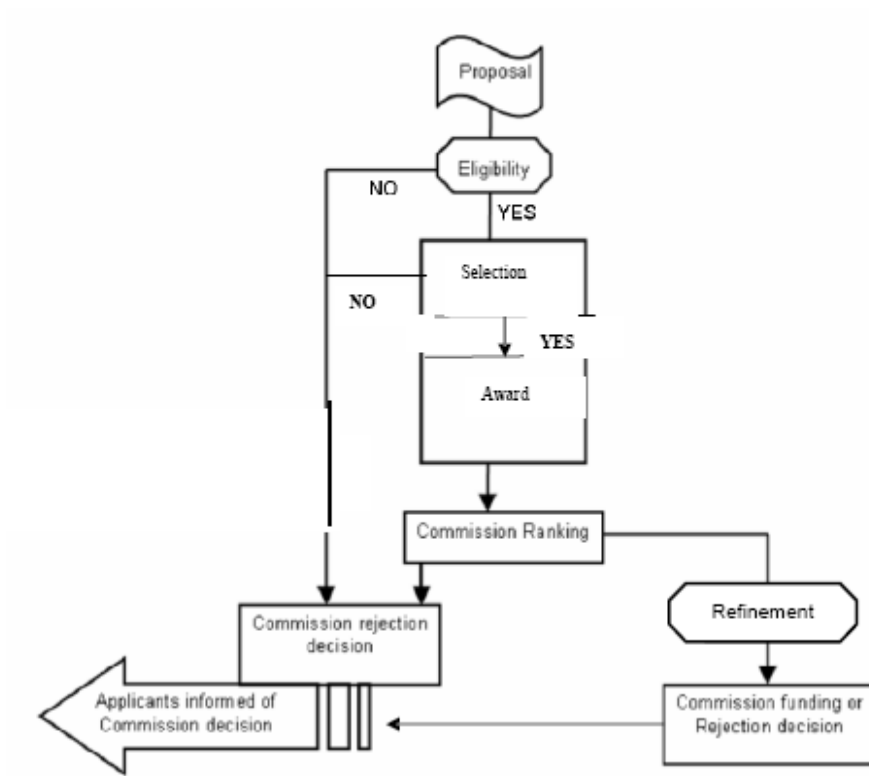
The implementation plan will include those proposals to be invited for refinement, a reserve list of proposals should budget become available, and a list of proposals that are to be rejected either for lack of budget or lack of quality (e.g. failure to meet one or more of the award criteria thresholds).

The coordinators of all the submitted proposals are informed in writing about the outcome of the evaluation for their proposal.

Selection criteria are initially applied on the basis of the information supplied in the proposal. If weaknesses (e.g. in terms of their financial capacity) are identified compensating actions such as financial guarantees or other mitigating measures may be considered. Successful proposals called to refinements will be the subject of a formal legal and financial validation as a requirement to the issuing of a grant agreement.

The Commission may select independent experts to assist with the evaluation of proposals and with the review of project results as well as for other purposes where specific expertise might be required for the implementation of the Programme. The experts would be identified on the basis of a call for independent experts, leading to the establishment of a list of experts appropriate to the requirements of the Programme. Experts will be selected from this list on the basis of their ability to perform the tasks assigned to them, taking into account the thematic requirements of the call or project, and with consideration of geographical and gender balance.

Figure 1: *Schematic overview of the process from evaluation to contracting*



## V.2 Eligibility phase

Applicants and applications must comply with the following conditions in order to be eligible:

- Applicants must be legal entities established in an eligible country as defined in Article 4 of the CIP and chapter IV.1 of the Guide for Applicants ;
- Corporate bodies must be properly constituted and registered under the law;
- Applications must be signed, dated and complete, using the submission requirements;
- Applications must be received on **the date indicated**.
- Only applications for projects that are strictly non-profit-making and/or whose immediate objective is non-commercial shall be eligible.
- The applying consortia shall include a minimum of 3 and a maximum of 7 partners established in minimum three different eligible countries with the following specific characteristics.
- Applicants and partners shall be public organisations such as national and regional public authorities and public innovation funding agencies or other organisations acting on behalf of a public authority, responsible for the design and/or implementation of innovation support programmes and actions and involved in the support to eco-innovation.

Moreover, according to article 93 of the Financial Regulation (Council regulation N°1605/2002) mentioned below, candidates shall be excluded from participation in a grant procedure if:

- a. they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of

proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

- b. they have been convicted of an offence concerning their professional conduct by a judgement which has the force of res judicata;
- c. they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- d. they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- e. they have been the subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- f. are currently subject to an administrative penalty as referred to in Article 96 (1) of the Financial Regulations.

By using the “Exclusion Form” (in annex to the “Guide for Applicants”), applicants shall declare on their honour that they are not in one of the situations listed above. The authorising officer responsible may however request the evidence described in the “Exclusion Form” above mentioned. In such case, applicants shall be bound to supply such proof, unless there is a material impossibility recognised by the authorising officer responsible.

In addition and according to article 94 of the Financial Regulation mentioned below, grants may not be awarded to candidates who, during the award procedure:

- g. are subject to a conflict of interest;
- h. are guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the contract procedure or fail to supply this information
- i. find themselves in one of the situations of exclusion referred to in point a to f for this call for proposals

Please note that, according to article 96 of the Financial Regulation and article 133 of the Implementing Rule administrative and financial penalties may be imposed by the Commission on applicants who are excluded in relation to points a) to h) above mentioned.

All partners must satisfy the same eligibility criteria as those for applicants.

All proposals that fulfil the eligibility criteria will be evaluated in the selection phase in order to determine their financial and technical capacity.

### **V.3 Selection phase**

The selection will be based on the applicants' financial and technical capacity to complete the proposed action.

### V.3.a Financial capacity

For the financial capacity, applicants must show they have stable and sufficient sources of finance to ensure the continuity of their organisation throughout the action and to play a part in financing it. To that end, they will include in the proposal information on their annual accounts for the last two financial years (i.e. profit and loss accounts; balance sheet; Part B.2 duly completed).

Where the proposed amount requested from the Commission exceeds €500.000 per partner organisation, an audit report on the accounts of the last two financial years must be provided before conclusion of the grant agreement. For applying consortia, the audit report is applicable to the level of individual organisation and not to the level of the consortium.

In conformity with Article 176 of the Implementation Rules of the Financial Regulations, the verification of the financial capacity will not be applied to public bodies.

### V.3.b Professional and technical capacity

Applicants must show that they have the professional and technical capacity to complete the operation and must demonstrate their capacity to manage a large-scale activity corresponding with the size of the action for which a grant is requested. In particular, the team responsible for the action must have adequate professional qualifications and experience. Applicants will therefore include in the proposal curriculum vitae of the main members of the team that will actually be performing the work and professional references and details of similar past projects.

Applicants must be directly responsible for the preparation and management of the action, not acting as an intermediary. They must provide information about their capacity to carry out the expected activities and demonstrate their experience (or strong interest) in working with other parties in trans-national projects. The coordinator must demonstrate a strong management experience of international consortia of relevant size. In addition, applicants must add a statement of the average annual manpower and the number of managerial staff of the beneficiary in the last three years and clearly indicate the proportion of the grant agreement which the applicants intend to subcontract<sup>11</sup>.

All projects have to include in their deliverables list a Project Presentation in word, PDF and HTML formats. The Project Presentation shall be foreseen by end of month 1 after signature of the grant agreement.

## V.4 Award phase

Proposals that have passed the eligibility and selection phases will be further evaluated in the award phase based on four criteria. Each criterion has a maximum number of points that add up to a total score of 100. The criteria and their respective maximum score are:

These criteria are:

- **Relevance**, maximum score of 30  
Reflects to what extent the proposal fulfils the objectives of the call, includes the expected activities and their visibility, and provides a European dimension to the action.
- **Impact**, maximum score of 30  
Reflects the expected impact of the proposed activities on the target groups both in the short and long terms.

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<sup>11</sup> All this information will go into the Annex Part B "Description of Work".

- **Quality**, maximum score of 25  
Reflects how well the proposed activities have been defined, are build on existing good practices and experiences and will be carried out as a coherent set of action. The quality of the overall management of the action will also be assessed under this criterion.
- **Budget and cost-effectiveness**, maximum score of 15  
Reflects the adequacy of the proposed budget and the cost-efficiency of the action.

Annex 4 presents a number of key elements and the respective weighting for each criterion as they apply specifically to the various strands.

Proposals will be ranked according to their total score. In order to be considered for funding proposals will need to have passed **an overall threshold of 70%** in terms of total score. In addition, thresholds of **50% will be applied to each of the five individual award criteria** described above in order to ensure a consistent minimum quality for all award criteria.

The Commission services will draw up the final ranking list based on the total points received, in priority order of all the proposals evaluated and which passed the required thresholds.

## V.5 Decision of the European Commission

On the basis of the merit list drawn up by the evaluation committee, the authorising officer adopts the final list and allocates the grants.

All the applicants will be informed in writing of the Commission decision concerning their application.

Please note that a decision to reject an application or not to award a grant will be based on the following grounds:

- the application was received after the closing date;
- the application is incomplete or otherwise non-compliant with the stated administrative conditions;
- the applicant or one or more applicants are ineligible;
- the technical capacity is considered insufficient;
- the financial capacity is considered insufficient;
- the proposal has not reached the minimum score of 50% for one or several of the evaluation criteria or 70% of the total;
- the score obtained by the proposal is not ranked amongst the best proposals considered for the award;
- the proposal includes essential activities which receive already financing under other EU programmes.

The Commission decision to reject an application or not to award a grant is final.

## V.6 Refinement phase

The overall purpose of refinements is to finalise the details of the work to be carried out under the Grant Agreement within the associated budget, as well as to further collect/assess the legal and financial

information needed to establish the Grant Agreement. The project negotiation process comprises two main aspects:

- (i) Technical refinements
- (ii) Financial and legal refinements.

The aim of the technical refinements is to agree on the final content of Annex I to the Grant Agreement (Description of the Action, i.e. the form Part B "Description of Work"). To this purpose, following the positive evaluation of a proposal and the Commission's definition of a maximum Union financial contribution for the work, the proposal coordinator is invited to commence discussions on refinements with the Commission for a Grant Agreement. The invitation to refining provides details on the results of the evaluation, any aspects to be reviewed and the refinement mandate. The invitation would be accompanied by the independent experts' advice to the Commission in the form of the Evaluation Summary Report, in case independent experts were used by the Commission.

The refinement mandate will indicate requests for streamlining, clarifications, improved consistency and open questions regarding the proposed project that will need to be addressed together with the maximum European Union contribution available for the project and the suggested duration of the project. Particular attention will be paid to aspects pertaining to the relationship among the different INNO-Nets and the other projects under PRO INNO Europe® as well as the relationships with relevant projects under the Europe INNOVA initiative and, where pertinent, the ETAP. Refinements would not change the substance of the proposal to the extent that they would alter the result of the evaluation and thus entail unequal treatment vis-à-vis unsuccessful applicants.

The aim of the financial and legal refinements is to clarify a number of detailed aspects of legal and financial nature, including possible issues related to sub-contracting. A detailed verification by the Commission of legal status and existence of beneficiaries is one of the prerequisites for signing a Grant Agreement.

Where the proposed amount requested from the Commission exceeds €500,000 per partner organisation, an audit report on those accounts must be provided before the signature of the grant agreement. For applying consortia, the audit report is applicable to the level of individual organisation and not to the level of the consortium. Moreover, for the coordinator and any of the beneficiaries requesting more than €25,000 European Union contribution per project the financial viability has to be checked. If weaknesses (e.g. in terms of financial capacity) are identified, compensating actions such as financial guarantees or other mitigating measures may be considered and requested at this stage.

Once all the technical, legal and financial issues are agreed upon, a grant agreement is drafted and sent to the coordinator for signature.

If a proposed project is found – at any stage of the process prior to the signature by the Commission of the grant agreement – to receive funding for parts of the activities proposed from other EU programmes, the Commission will request modifications to the concerned activities, even by reopening an already closed refinement phase, or may reject awarding a grant to the proposal, notably if changes necessary to avoid duplicate funding would entail unequal treatment vis-à-vis unsuccessful applicants.

## **VI. Proposal preparation and submission**

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### **VI.1 Content of the grant application**

The grant application must be drafted following the instructions detailed below and using the specific administrative forms available for this call. All template administrative forms can be found on the Web site:

[http://ec.europa.eu/environment/etap/funding/instruments\\_en.htm](http://ec.europa.eu/environment/etap/funding/instruments_en.htm)

*Summary of the forms:*

Proposal PART A - to be <u>completed on-line</u> - includes the following documents:
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1. FORM A.1 AND FORM A.2: PROPOSAL SUBMISSION FORMS
2. FORM A.3.1 AND FORM A.3.2: FORWARD BUDGET FORMS

Proposal PART B – *to be uploaded* - includes the following documents:

1. DESCRIPTION OF WORK
2. FINANCIAL DATA (SEE EXCEL FILE)
3. DETAILED BUDGET

ANNEXES:

- ANNEX 1: CO-FINANCING STATEMENT FORM  
 ANNEX 2: EXCLUSION FORM  
 ANNEX 3: LEGITIMATE DECLARATION OF PUBLIC BODIES/CLUSTER ORGANISATIONS  
 ANNEX 4: FINANCIAL IDENTIFICATION FORM  
 ANNEX 5: LEGAL ENTITY FORM

**ALL DOCUMENTS ARE MANDATORY**

***Part A: Proposal administrative forms***

Part A of the grant application will be made up of the following compulsory administrative forms *to be completed on-line*:

- Proposal submission forms (Form A.1 and Form A.2)
- Forward budget forms (Form A.3.1 and Form A.3.2)
- Form A.3.1 and Form A.3.2 “Forward budget forms” will become an integral part of the grant agreement in case the proposal is selected.

***Part B: Full Proposal description***

Part B of the grant application will be made up of the following compulsory forms *to be uploaded*:

- Description of work
- Financial data

- The form "Description of work" shall include a detailed timetable of the operation, including budget description and justification. It shall also provide justification of the professional and technical capacity to complete the operation and information demonstrating the partners capacity to manage a large-scale activity corresponding with the size of the project for which a grant is requested. The form "Description of work" will become an integral part of the grant agreement in case the proposal is selected.

- The form "Financial statement information" shall provide information on the annual accounts (i.e. profit and loss accounts; balance sheet) for the two last financial years. The form must be filled in by private organisations only.

**Annexes :**

- Co-financing
- Exclusion form
- Declaration of its own status
- Financial Identification Form
- Legal Entity Form

- The form "Co-financing" shall be filled in by each co-financing third party.
- The form "Exclusion form" shall be filled in by all partners.
- The form "Declaration of its own status" shall be filled in by public organisations or organisations with a public mandate, in accordance with what specified in chapter IV.

**VI.2 Proposal language**

Proposals may be submitted in any official language of the European Union. In order to facilitate the evaluation process, the submission of the proposals in **English** is preferred. If your proposal is not in English, an English translation of the abstract must be included in Part B of the proposal.

**VI.3 Modalities of submission**

Proposals must be submitted electronically, using the Commission's **Electronic Proposal Submission Service (EPSS)**. Proposals arriving at the Commission by any other means are regarded as 'not submitted', and will not be evaluated. You can access the EPSS from the call Web site ([http://ec.europa.eu/environment/etap/funding/instruments\\_en.htm](http://ec.europa.eu/environment/etap/funding/instruments_en.htm) ) when the online service will be available. Full instructions will be found in the "EPSS preparation and submission guide" – also available on the call Web site. **The most important point is that the EPSS will be closed for this call at call deadline. After this moment, access to the EPSS for this call will be impossible.**

**Reminder: Late submission will lead to the applicant being excluded from the award procedure.**

**VI.4 Time table for submission, evaluation and award**

Publication of the call	30 June 2010
<b>Deadline for submission of proposals</b>	<b>30 September 2010 16.00h Brussels time</b>
Evaluation of proposals	October 2010
Award decision	December 2010
Signature of Grant Agreement	December 2010

## VI.5 Equal opportunity

The European Union has the task to promote equality between women and men and shall aim in all its activities to eliminate gender inequalities (articles 2 of the Treaty on the EU). In this context, women are particularly encouraged to be involved in proposal submission.

## VI.6 Data Protection

The follow up of your response to the call for proposals will require the recording and further processing of personal data (name, address, CV, for example). This data will be processed in accordance with the requirements of Regulation (CE) 45/2001 on the protection of individuals with regard to the processing of personal data by European Union's institutions and bodies and on the free movement of such data. Proposals according to the specifications of the Guide for Applicants will only be processed by DG Enterprise and Industry, Support for Innovation Unit, for this purpose. You may, upon request, obtain the communication of your personal data and rectify any inaccurate or incomplete personal data. Should you have any queries concerning the processing of your personal data, please address them to DG Enterprise and Industry, Data Controller. As regards to the processing of your personal data, you have a right to recourse at any time to European Data Protection Supervisor.

## VII. Indicative Checklist for applicants

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Please verify the following list of questions before submitting your proposal:

1. Have you completed Part A, Part B and the listed Annexes?
2. Is the full proposal and description of the project, including costs justification included?
3. Did you respect the requirements in terms of minimum and/or maximum number of participants?
4. Do you have the authorisation of each member of the consortium to submit this proposal on their behalf?

## VIII. Support to applicants

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The coordinates of the European Commission help desk for this call are:

European Commission  
Directorate General Environment  
Call for proposals (PROINNOEurope-ENT-CIP-09-C-N02S005) help desk  
Email: [env-technology@ec.europa.eu](mailto:env-technology@ec.europa.eu)

**Links to all the necessary information to prepare a proposal are available on the Call website**  
[http://ec.europa.eu/environment/etap/funding/instruments\\_en.htm](http://ec.europa.eu/environment/etap/funding/instruments_en.htm)

**All further information and answers to questions from potential applicants will be published on the Call website without prior information notice**

**Request for information have to be sent no later than 6 days before deadline for the submission of proposals**

**Applicants should periodically check the Call website for latest information**

## **IX. Annexes**

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Proposal PART A

Proposal PART B

Annex 1, 2, 3 – Exclusion form, co-financing form and specific form for public partners and cluster organisations

Annex 4 – Financial Identity form

Annex 5 – Legal Entity form

Annex 6 - Award criteria specific to the strands

Annex 7 – Model grant agreement

## Submission set

**Part A, part B and the Annexes 1, 2, 3, 4 and 5 contain all necessary templates applicants need to complete a proposal for this call. These templates are available at:**

<a href="http://ec.europa.eu/environment/etap/funding/instruments_en.htm">http://ec.europa.eu/environment/etap/funding/instruments_en.htm</a>
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**You can also access to Annex 4 and 5 through the following links:**

Annex 4 – Financial Identity form:

[http://ec.europa.eu/budget/info\\_contract/ftiers\\_en.htm](http://ec.europa.eu/budget/info_contract/ftiers_en.htm)

Annex 5 – Legal Entity form:

[http://ec.europa.eu/budget/info\\_contract/legal\\_entities\\_en.htm?submenuheader=0](http://ec.europa.eu/budget/info_contract/legal_entities_en.htm?submenuheader=0)

**All instructions are on-line. Please note that PART A can only be completed on-line, while all the forms in PART B and the Annexes have to be downloaded, filled in and uploaded.**

## Annex 6 – Award criteria specific to the strands

### Strand 4: Better policies and instruments in support of eco-innovation

Award criteria	Maximum Score
<b>1. Relevance</b>	<b>30</b>
<ul style="list-style-type: none"> <li>- How relevant is the proposal to the objectives of the call?</li> <li>- To what extent are the expected activities covered in the proposal?</li> <li>- To what extent do the proposed activities demonstrate a clear European added value in carrying out the work at European level (by reinforcing European competitiveness or addressing a specific European market failure)?</li> <li>- To what extent are the proposed dissemination efforts realistic and suited to reach the widest number of relevant stakeholders and ensure a European visibility?</li> <li>- To what extent does the proposal foresee to contribute to and cooperate with the overall PRO INNO Europe® initiative and other relevant EU initiatives, especially the actions under the Environmental Technologies Action Plan</li> </ul>	
<b>2. Potential Impact</b>	<b>30</b>
<ul style="list-style-type: none"> <li>- Does the proposal include an effective approach to reach eco-innovation actors throughout Europe?</li> <li>- To what extent has the geographical coverage been maximized?</li> <li>- To what extent does the project mobilise a critical mass of resources in Europe?</li> <li>- To what extent do the proposed activities contribute to improve support mechanisms to eco-innovation?</li> <li>- To what extent do the proposed activities support the implementation of EU policies related to environmental technologies, sustainable consumption and production, lead markets?</li> <li>- How novel are the proposed practical cooperation?</li> </ul>	
<b>3. Quality</b>	<b>25</b>
<ul style="list-style-type: none"> <li>- To what extent are the activities proposed appropriate to address the particular needs and specificities of eco-innovation actors, including eco-innovation businesses?</li> <li>- To what extent are the activities proposed appropriate to address new forms of knowledge transfer and exchange of experience on eco-innovation?</li> <li>- To what extent will the activities be validated and implemented on a pilot basis?</li> <li>- How successful is the action likely to be in the organisation of conferences?</li> <li>- To what extent will the conferences be supportive to the other activities of the action?</li> <li>- Are the coordination mechanisms proposed sufficiently robust to ensure the goals of the action?</li> </ul>	
<b>4. Budget and cost-effectiveness</b>	<b>15</b>
<ul style="list-style-type: none"> <li>- To what extent is the budget clear and detailed? Is the budget breakdown per activity realistic and reasonable for the proposal to be completed successfully?</li> <li>- To what extent is the proposed expenditure necessary for the implementation of the action?</li> <li>- To what extent is the amount requested in accordance with the expected results? Is the proposal offering sufficient value-for-money?</li> </ul>	
<b>Maximum total score</b>	<b>100</b>

## **Annex 7 – Model grant agreement**