



MARCO POLO  
NEW WAYS TO A GREEN HORIZON

## Mastering the 2010 application process: The way towards a successful proposal

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### Is Marco Polo the programme for you?

In case you have:

- An idea for a new transport service that would shift freight from the road...
- Which has a European dimension...
- Which would be loss making in its first years...
- But overall should become a viable in the long run...

→ **Marco Polo can help you!**



2



## Outline

### Your questions:

- What is the starting point? → **General requirements**
- Which actions can receive a grant? → **Eligibility criteria**
- Who can apply? → **Selection criteria**
- How are the proposals assessed? → **Award criteria**
- How to submit a proposal? → **Formal requirements**
- Is support available? → **Marco Polo Helpdesk**



## What is the starting point? → General requirements

### The five action types:

MOD – Modal shift  
 CAT – Catalyst  
 MOS - Motorways of the Sea  
 TAV – Traffic avoidance  
 CLA – Common learning

	MOD	CAT	MoS	TAV	CLA
Duration ( <u>min/max in months</u> )	0 to 36	36 to 60			24
Threshold (tkm <u>per year</u> )	60m (13 for IWW)	30m	200m	80m (or 4m vkm)	min. €250,000
Subsidy (€500 tkm)	2 € per 500 tkm				-
Max. % of eligible costs	35%				50%





## What is the starting point? → General requirements

### No distortion of competition!

- Funding condition in the Call
- Clause in the Grant Agreement – reason for termination of the Agreement
- Describe & compare other similar non-road services in the same market
- Different market/route/segment of freight/customers/service



## Which actions can receive a grant? → Eligibility criteria

### Eligibility criteria:

- Uniqueness: for which action type are you applying? ✓
- Transport Services: are you proposing a transport service or logistics concept? (no infrastructure, research or study projects) ✓
- European Dimension - Undertaking: are you a single undertaking or a consortium established in any EU Member State or fully participating 3rd country? ✓





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### Which actions can receive a grant? → Eligibility criteria

- **European Dimension - Cost:** will the budget not finance costs arising outside the territories of the Union or fully participating countries? ✓
- **Type of Legal Entity:** are all project participants legal persons and privately or publicly owned commercial undertakings? ✓
- **Start-up of action:** will the action start between 1 July 2009 and 1 July 2011? ✓



7



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### Which actions can receive a grant? → Eligibility criteria

Specific eligibility criteria per action type:

	MOD	CAT	MoS	TAV	CLA
Route	European Dimension (+ for MoS: use of "Category A" ports)				n/a
Duration	0 to 36		36 to 60		24
Threshold (tkm <u>per year</u> )	60m (13 for IWW)	30m	200m	80m (or 4m vkm)	min. €250,000

**Do you comply? → your project is admissible!**



8



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## Who can apply? → Selection criteria

### Selection criteria:

- Financial capacity of the applicants
- Technical capacity of the applicants

Do you comply? → your project will be evaluated!



9



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## Who can apply? → Selection criteria

### How to demonstrate financial capacity:

- send latest financial statements
- Audited for partners receiving >500,000 subsidy
- lead partners should show minimum values for following two ratios:
  - ▶ Current assets/current liabilities >0.75
  - ▶ ECgrant/Equity <1

### How to demonstrate technical capacity:

- at least a 5-year experience by the applicants in the project area
- or at least 5-year experience of their directly involved employees
- evidence provided by company records and CVs



10



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## How are the proposals assessed? → Award criteria

### THE MARCO POLO SCOREBOARD

Criteria/Action Type	MOD	CAT	MoS	TAV	CLA
Credibility & Viability	50	50	50	50	40
Environmental & Social Benefits	25	30*	20	20	
Quantity of freight shifted	25		20	20	
Innovative approach (CAT/MoS/TAV: inc. dissemination plan)		20	10	10	10
European added value					35
Dissemination plan					15

There is also a threshold per criterion!

\* Including freight shifted off the road



11



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## Award criteria: Quantity of freight shifted

Criteria/Action Type	MOD	CAT*	MoS	TAV
Quantity of freight shifted	25		20	20

\* Included in Env. & Soc. benefits

- The higher the better – but it must be credible!
- Use the Marco Polo calculator
- Volumes based on market research
- See explanatory note on MP website



12



## Award criteria: Quantity of freight shifted

Description of the proposed (new) transport service										Marco Polo Call 2010			
Project (Acronym): <b>Columbus</b>										Call identifier: <b>FP7-SC4-01007-2010-001-0</b>			
Page <b>1</b> of <b>1</b> in total										Please only fill in the YELLOW fields!			
Tonnage unit (only one "x"):													
No. #	Transport leg (line from - via - to)	Transport mode (green mark, only one "x")			Countries (green mark, only one "x")			Distance (km) $F_{road}$	Tonnage (t) $F_{road}$	Volume (km <sup>3</sup> ) $F_{road}$	External costs (€/t/km)		No. #
		Road	Rail	Sea	EU07	Algeria	Others				Specific	Total	
1	Genoa - Corsica	x			x		180	100 000	18 800 000	0,015	282 000	1	
2	Corsica - Marseilles	x			x		241	100 000	Out of scope	0,015		2	
3	Marseilles - Rotterdam	x			x		938	100 000	93 900 000	0,015	1 408 500	3	
4	Rotterdam - Tallinn	x			x		1 033	100 000	103 300 000	0,009	929 700	4	
5												5	
6												6	
7												7	
8												8	
9												9	
10												10	
11												11	
12												12	
13												13	
14												14	
15												15	
Total transport chain $F_{road}$								216 000 000			2 628 200		
Therefore road transport $F_{road}$													

### Marco Polo calculator:

- Attach all pages!
- No modal shift if between non-road modes
- Pay attention to new definition of freight
- No modal shift accounted for in non-participating countries



## Award criteria: Quantity of freight shifted

### New definition of freight in Call 2010:

*"The shift will include the goods transported, the intermodal transport unit plus the road vehicle, including empty intermodal transport units and empty road vehicles effectively loaded and unloaded at the beginning and the end of the multimodal journey, if these are shifted off the road too".*

→ What does this mean?





## Award criteria: Quantity of freight shifted

### Example 1:

A → B: complete trucks (traction unit with container or semi-trailer loaded with cargo) from road to a ro/ro ferry service

B → A: no rolling cargo or empty containers are transported on the ro/ro ferry

- What can be taken into account?: from A to B the complete weight of the loaded truck

### Example 2:

A → B: bulk goods from road to an inland waterway service

B → A: No goods are transported

- What can be taken into account?: from A to B the weight of the bulk goods

More examples on the MP website – FAQ section!



## Award criteria: Env. & soc. benefits

Criteria/Action Type	MOD	CAT	MoS	TAV
Environmental & Social Benefits	25	30	20	20

- **Quantitative → Outcome of MP Calculator (Rs)**
- **Qualitative: The Evaluation Committee can decide to attribute:**
  - ▶ maximum 2 extra points: for avoiding natural or sensitive areas or by using clean fuel & emission abatement techniques
  - ▶ maximum 3 extra points: for reduction of congestion by avoiding specific areas with heavily congested roads





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## Award criteria: Credibility & Viability

Criteria/Action Type	MOD	CAT	MoS	TAV	CLA
Credibility & Viability	50	50	50	50	40

- Highest weight in the evaluation for all action types!
- Most proposals fail due to low credibility & viability
- How to increase the credibility of your action?
  - ▶ Describe the market
  - ▶ Describe the proposed service
  - ▶ Business plan



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17



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## Award criteria: Credibility & Viability

### Describe the market:

- market research (indicating the source), problems in the market described (low water level, border crossings, permits needed, etc.)
- The type and quantity of freight
- Return cargo
- Recent letters of intent/commitment from potential customers
- Modal shift volume must be justified



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18



## Award criteria: Credibility & Viability

### Describe the market:

- Realistic loading factor – *gradually developing*
- Prove start up of service: availability of the transport medium, equipment/infrastructure, slots, authorisations etc.
- Letters of intent/commitment from subcontractors, especially transport operator (railway operator, railway traction, ship leasing etc.)



## Award criteria: Credibility & Viability

### Describe the proposed service:

- Service details:
  - ▶ technical (type, age of transport medium...),
  - ▶ timetables, frequency, transit time vs. road - *competitive?*
  - ▶ old and new route with good maps,
  - ▶ pre- & post carriage by road, passenger part (*non-eligible costs*)
- If upgrade of existing service – what is the significant extension? (higher frequency, capacity...)
  - ▶ exclude modal shift/costs of the existing service – *cannot be financed!*

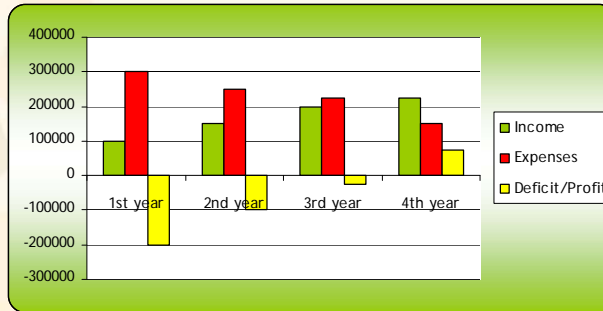




### Award criteria: Credibility & Viability

#### Business plan:

- Justify all eligible costs
- Exclude non-eligible costs
- For EC subvention period & 1-2 year later
- No accumulated profit during MP contract



### Award criteria: Credibility & Viability

#### Eligible costs

Should be:

- incurred during the project duration
- necessary for the implementation of the action
- reasonable & justified

#### Non-eligible costs

E.g.:

- return on capital
- debt and debt service charges
- VAT
- excessive or reckless cost
- costs incurred in third countries
- Passenger-related costs

#### Revenue

- Sales income
- Own contribution
- Other non-EU subsidies (combined subsidy <35% or <50% for CLA)
- Marco Polo subsidy



## Award criteria: Credibility & Viability

### How to determine your subsidy?

- **MOD/CAT/MOS/TAV: Funding will be lowest of the three:**
  - ▶ Modal shift @ 2 Euro / 500 tkm (or / 2000 m<sup>3</sup>km or 25 vkm)
  - ▶ Maximum 35% of total eligible costs
  - ▶ *No-profit* rule
  
- **CLA: Funding will be lowest of the two:**
  - ▶ 50% of total eligible costs
  - ▶ *No-profit* rule



23

## Award criteria: Innovation, dissemination plan, European Added value

Criteria/Action Type	CAT	MoS	TAV	CLA
Innovative approach	20	10	10	10
European added value				35
Dissemination plan				15

### All:

- Project should involve an innovative solution (not just a new route!)
- Include plan for dissemination of the solution

### Specific for CAT:

- Define barrier on European level & present innovative solution

### Specific for CLA:

- maximum impact of the common learning action in Europe
- European Added Value: improvement of cooperation, sharing of know-how and training, including Environmental and social benefits



24

## How to submit a proposal? → Formal requirements

Proposal structure (see annex 2 of Call text):

- Part I: Forms (Project Overview Form, Declaration by the Applicants Form, Acknowledgement of Receipt Form, If applicable: Joint letter of intent between all the partners)
- Part II: Main Text of the Proposal (10-15 pages in font size 12)
- Part III: Annexes:
  - maps,
  - business plan,
  - financial statements,
  - CV's,
  - market research,
  - letters of intent from customers etc.



## How to submit a proposal? → Formal requirements

Formal requirements:

- Send a complete proposal with main text and annexes
- Don't forget the MP calculator (except for CLA)
- 3- 4 forms (project overview, declaration of applicant, joint letter of intent (if applicable), acknowledgement of receipt)
- 1 signed original + 5 copies + CD ROM
- Respect the deadline: cannot be extended!
- By registered letter – stamped on the closing date for submission or by hand delivery at 16.00 pm on closing date



## How to submit a proposal? Preliminary schedule

Publication Call 2010 (date to be fixed)	March 2010
Deadline for proposals (date to be fixed)	End May 2010
Opening session	Begin June 2010
External evaluation	End June 2010
Internal evaluation	September 2010
List of projects proposed for funding	November 2010



## Is support available? → Marco Polo Helpdesk

**E-mail:** [eaci-marco-polo-helpdesk@ec.europa.eu](mailto:eaci-marco-polo-helpdesk@ec.europa.eu)

**Tel.:** +32 2 29 50924



**Many helpful tools on the MP website:**

- Checklists
- Call text, model contract, templates
- FAQs
- Marco Polo calculator
- What not to do...





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**Good luck with your proposal!**

**[eaci-marco-polo-helpdesk@ec.europa.eu](mailto:eaci-marco-polo-helpdesk@ec.europa.eu)**

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