



LIFE CALL 2017

Novelties, Close to Market, Applying successfully

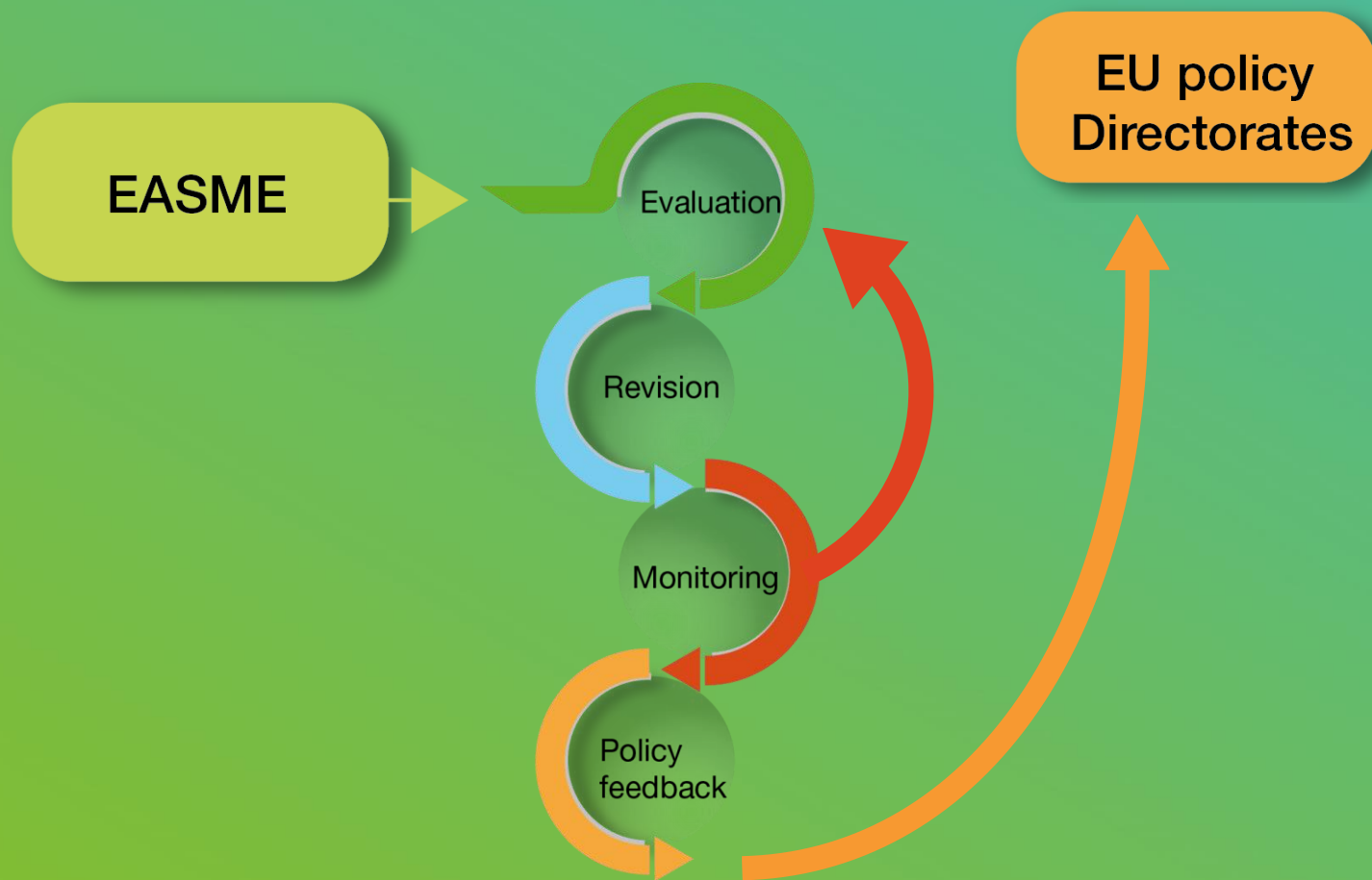
Milina Schumannova

Project Adviser / Unit B.3 LIFE and Eco-Innovation, EASME
- European Commission



22 June, Bratislava

WHO DOES WHAT IN LIFE?



WHAT IS LIFE FINANCING?



LIFE 2014-2020 – Priority Areas

❖ Environment sub-programme

- ❖ Environment & Resource Efficiency (ENV-RE)
- ❖ Nature & Biodiversity (NAT, BIO)
- ❖ Environmental Governance & Information (GIE)

❖ Climate Action sub-programme

- ❖ Climate Change Mitigation (CCM)
- ❖ Climate Change Adaptation (CCA)
- ❖ Climate Change Governance & Information (GIC)

LIFE 2017 – TRADITIONAL PROJECTS

LIFE Call 2017 opening: 28 April 2017

AREA	CLOSING	BUDGET 17 (€ Mil.)	~ % vs 2016
CLIMATE	07-Sep-17	€ 52.1	+10%
ENV-RE	12-Sep-17	€ 83	+10%
NAT	14-Sep-17	€ 101.9	+5%
GIE	14-Sep-17	€ 16.9	-12%
IPE	26-Sep-17	€ 86	+ 10%
IPC	26-Sep-17	€ 30	+ 53%
TA	07-Sep-17	€ 300k	+47%

WHAT'S NEW IN THE CALL 2017?

For all LIFE strands: Encouraging up-taking of results from research

- ❖ Form B3: Projects concerned by up-taking results from EU financed research projects (FPs/H2020), will have to describe comprehensively how those results will be used in the LIFE project
- ❖ This can drive to an additional point in the scoring

LIFE 2014-2017 MAWP

❖ Stronger emphasis on:

- ❖ Long term sustainability of the project
- ❖ Replicability and transferability
- ❖ Impacts (impacts indicators)

WHAT'S NEW IN THE CALL (from 2016)?

- ❖ Further clarifications on sustainability and replicability
- ❖ More specifications on EU added value in terms of quantifiable impacts/benefits
- ❖ Welcoming and encouraging "close-to-market" projects (ENV, CLIMA)
- ❖ More stringent control on double-funding and value added vs previously financed LIFE projects
- ❖ Focus on "implementation" of solutions (e.g. DSS, tools, etc.). I.e. concrete activities for the uptake and use of tools developed by relevant actors, during the project duration.

WHAT'S NEW IN THE CALL (from 2016)?

❖ Transferability and Replication:

- ❖ Mandatory deliverable: Transferability and Replication Plan (ENV-RE, CLIMA proposals)

❖ Sustainability:

- ❖ Mandatory deliverable: Exploitation Plan as part of the After-LIFE Plan (ENV-RE and CLIMA proposals)
- ❖ Mandatory Deliverable for "close-to-market" projects: Business Plan (ENV-RE and CLIMA proposals)

CLOSE TO MARKET PROJECTS



CLOSE TO MARKET (C2M) PROJECTS

- ❖ LIFE **always supported C2M** projects (without calling them C2M)
- ❖ Projects that **implement environmental/climate solution in close-to-market conditions** (i.e.: industrial, commercial scale) in the short-medium term
- ❖ Projects which have clear **technical and business perspective**
- ❖ Projects that foresee **pre-commercial activities** and plan them during the application stage (**e.g. market analysis, business plan, etc.**)

WHY C2M PROJECTS?

- ❖ C2M is suitable especially for ENV-RE and CCM priority areas
- ❖ LIFE contributes to the main priorities of Commissioner Juncker on Growth and Jobs
- ❖ The former Eco-innovation programme beneficiaries are a good target audience for C2M
 - SMEs ready to upscale and go to the market

WHY C2M PROJECTS?

- ❖ LIFE as one-stop-shop for businesses **from innovation, demonstration, upscaling to commercialisation**
- ❖ Projects with C2M approach can contribute to **increased sustainability** and, accordingly, impact positively the environment and climate action

IS THE FOCUS OF LIFE CHANGING?

❖ **No but...**

- ❖ Emphasis to attract C2M applicants, and
- ❖ Explicitly reach out to the private sector

❖ **Non-C2M projects remain a key feature of LIFE**

TIPS

APPLYING SUCCESSFULLY TO LIFE



KEY CHALLENGES

- ❖ There is **significant competition** for LIFE funds
- ❖ It takes **time and money to** prepare an application
- ❖ Proposals that **fail are poorly prepared** or simply not as good as the others, funding is limited

MUST READ

- ❖ **LIFE Regulation**, in particular the priority areas
- ❖ **Multi-annual work-programme** – project topics
- ❖ **Application Packages** and **Frequently Asked Questions (FAQ)**
- ❖ **Guides for evaluation** of LIFE project proposals
- ❖ LIFE website, in particular **LIFE project database**
- ❖ **Evaluation comments** from previous submissions

PROJECT DESIGN - I

- ❖ **Baseline description should be detailed** enough as it is essential for evaluating the project impacts (AW1)
- ❖ **Replication and/or transfer** needs to be taken into account and **related project actions** need to be well conceived (AW6)
- ❖ **Activities/plans to ensure sustainability** of the project results are absolutely crucial! (AW1)

PROJECT DESIGN - II

- ❖ The **sequence of actions should be logical** and clearly linked to project description (part B of application) (AW1)
- ❖ Expected results and quantitative **estimations of projects impacts** (during and 3/5 years after project end) (AW3)
- ❖ Clear **description of staff involved** in specific actions (AW1)

PROJECT DESIGN - III

❖ **Transnational** projects:

- ❖ the proposal has to show that there is sufficient evidence for an added value of the transnational approach (If such evidence can be provided, the proposal will be considered for a **higher scoring** in the project selection process and will therefore have a higher chance of being selected for co-funding - AW7)

PROJECT DESIGN - IV

- ❖ Limit the number of **actions to the ones essential to achieve the project objectives**
- ❖ **Partnership** structure: look for complementarity and avoid redundancy of expertise (key stakeholders should be involved)
- ❖ Project duration should take into account:
 - ❖ Sufficient time to **gather information** about the impact of project activities
 - ❖ Delays in **obtaining permits and authorisations**

PROJECT DESIGN

Good design

Solid analysis of the problem, state of play and solution proposed (baseline)

Key stakeholders involved (incl. users)

Robust assessment of impacts over the life cycle of the solution proposed

Clear strategy on how to sustain and multiply the impacts

Common problems

Insufficient background information (why, who and how)

Rationale for projects is defined during the project

Objectives too broad, too many

Poor partnership (partners don't fit regarding know-how or insufficient budget)

Over-optimistic / unrealistic or lack of quantification of impacts

Replication confused with networking and dissemination

Vague plans to sustain the project/results after project end

REMEMBER

- ❖ **Be clear and precise** – applications are only evaluated on what is submitted (not on the potential of the idea)
- ❖ **Read documents**
- ❖ **Read about and talk to ongoing projects**

Check the LIFE Database of funded projects
<http://ec.europa.eu/environment/life/project/Projects/index.cfm>

!! START EARLY!!



THANK YOU FOR YOUR ATTENTION

<http://ec.europa.eu/life>



@LIFE_Programme



facebook.com/LIFE.programme



flickr.com/life_programme



European
Commission

Executive Agency for
Small and Medium-sized Enterprises

ANNEX SLIDES

ESTABLISHING THE PROJECT BUDGET

GENERAL REMARKS

- ❖ Read the model grant agreement (new version), Annex X, FAQ and application guide
 - ❖ Art. II.10 (award of contracts), Art. II.11 (subcontracting), Art. II.19 (eligible costs), Art. II.21 (affiliated entities)
- ❖ Be realistic!
- ❖ Only costs within project duration (except audit/final reporting)

FINANCIAL APPLICATION FORMS (F1- F8)

- ❖ Put costs in the **correct cost category** (F-forms)
- ❖ Round costs to the **nearest EUR**
- ❖ Each beneficiary to include its **own/affiliate's costs**
 - ❖ No subcontracting between beneficiaries/affiliates
 - ❖ Avoid internal invoicing => costs to be included in the appropriate category
- ❖ **No VAT** to be included unless it cannot be recovered (to be proven by certificate tax authorities) and for public bodies no VAT for activities engaged in as a public body

PERSONNEL COST – ALL PARTNERS

- ❖ Only costs related to **employees** /personnel with an **equivalent appointing act** (e.g. secondment) or contracts with natural persons (e.g. consultancy/civil contracts) which are **assigned to the project**
- ❖ Ensure that tasks are carried out by the appropriate staff level
 - ❖ Number of person days
 - ❖ Daily rate
- ❖ $\text{Daily rate} = \text{Yearly salary cost} / \text{Yearly productive days}$
 - ❖ Salary cost includes social security contribution & other statutory costs (see Annex X)
 - ❖ Productive days = 261 – holidays - illness

PERSONNEL COST – PUBLIC BODIES

- ❖ Only costs re. **activities that would not have been carried out** if the project would not have been undertaken
- ❖ **2% rule:** sum of public body contributions (beneficiaries) MUST exceed by at least 2% the salary cost of non-additional staff
- ❖ **Additional staff** = permanent/temporary staff whose contracts or contract renewals start
 - ❖ On or after the start date of the project
 - ❖ On or after the signature of the grant agreement (if before start)
 - ❖ **Specifically seconded/assigned** to the project
 - ❖ Contract renewal ⇔ contract **re-assignment**

EQUIPMENT/INFRASTRUCTURE / PROTOTYPE

- ❖ General principle = **only depreciated costs** up to a limit
 - ❖ **50%** total purchase cost of equipment
 - ❖ **25%** total purchase cost of infrastructure
- ❖ **Exceptions** where the eligible cost can be 100% of purchase cost
 - ❖ **Prototypes** (specifically created for the project/not available as serial product/not commercialised)
 - ❖ **Nature projects: public bodies/ non for profit organisations** if they fulfil certain conditions (definitive assignment to nature conservation activities after end of the project)

SUBCONTRACTING

- ❖ Only for implementation of **limited part of the project** (max. **35%** of budget unless justified)
- ❖ Only if really **necessary** for the implementation
- ❖ In principle not for project management unless justified

OTHER COSTS

- ❖ Resulting directly **from requirements imposed by the grant agreement**
 - ❖ Financial guarantees (no need to budget upfront – will be communicated during the revision stage)
 - ❖ Audit certificate (costs of beneficiaries with Union Contribution at least 325,000 EUR)
 - ❖ Translation costs
 - ❖ Costs for dissemination materials
 - ❖ ...

OVERHEADS

- ❖ **Flat rate**
- ❖ **Max. 7%** of total direct eligible costs excluding land purchase/LT lease/one-off compensations
- ❖ Maximum is **per beneficiary**
- ❖ **Fair share** of the overall overheads of the beneficiary

AWARD OF CONTRACTS

- ❖ To tender offering **best value for money/lowest price**
- ❖ **No conflict of interest**
- ❖ Indicate **type of procedure** to be used (or used), use the types mentioned in the application guide
 - ❖ Public bodies = public procurement rules!
 - ❖ Private entities = use internal rules organisation BUT obligation to use an 'open' tendering procedure **> 135 000 EUR** (no salami slicing to avoid this procedure!)

FREQUENTLY ENCOUNTERED ISSUES

1. FINANCIAL VIABILITY CHECK

- ❖ Union requested contribution project **> 750,000 EUR**, private applicant (coordinator) to submit **audit report produced by an approved external auditor** certifying the accounts for the **last financial year available**
- ❖ This is a **requirement** even if the applicant is not required by law to have his accounts certified!

FREQUENTLY ENCOUNTERED ISSUES

2. SOLE TRADERS

- ❖ Are considered **Natural Persons** => not eligible
- ❖ Entities owned and run by one individual where there is **no legal distinction between the owner and the business**, no distinction between own assets and assets of the business

FREQUENTLY ENCOUNTERED ISSUES

3. AFFILIATED ENTITIES

- ❖ We **may** accept inclusion of mother/daughter companies to assist private beneficiaries in the project (incl. members of associations)
- ❖ **Clear identification** needed (incl. acronym affiliate in description field of particular cost item)
- ❖ Need to comply with **eligibility & non-exclusion criteria** applying to the applicants
- ❖ Should demonstrate their **legal/capital link** with beneficiary concerned or membership
- ❖ Beneficiary remains responsible for the affiliate
- ❖ In case of an important role in project => associated beneficiary

REMEMBER

- ❖ **Be clear and precise** – applications are only evaluated on what is submitted (not on the potential of the idea)
- ❖ **Read documents**
- ❖ **Read about and talk to ongoing projects**

Check the LIFE Database of funded projects
<http://ec.europa.eu/environment/life/project/Projects/index.cfm>

!!! START EARLY!!!



THANK YOU FOR YOUR ATTENTION

<http://ec.europa.eu/life>



@LIFE_Programme



facebook.com/LIFE.programme



flickr.com/life_programme



European
Commission

Executive Agency for
Small and Medium-sized Enterprises

NATIONAL ALLOCATIONS



PROVISIONAL SITUATION POST 2016 CALL**

MSs WITH NO MORE NA	MSs WITH <11% NA	MSs WITH => 11% NA
Austria	Belgium	All Others
Denmark		
Spain		
Italy		
Netherlands		
Slovenia		
MSs with no more NA		

** Situation based only on traditional projects call 2016 and on EU requested funding pre-revision phase




*“...The Commission shall consider the **award of funding to transnational projects even in cases** where **the indicative national allocation** balance of one or more Member States participating in those transnational projects **has been exceeded....**”*
Article 19(7)

If too few proposals of sufficient quality to pass are received** from Member States to use up their national allocations, **the remaining budget** will be used to **finance** other passing projects **irrespective of their national allocation.

2% RULE - EXAMPLE

2% RULE - EXAMPLE

Example of budget:



• Personnel	
Non-additional	105 €
Additional staff	20 €
• External Assistance	50 €
• Equipment	25 €
• Total	200 €

LIFE contribution ► 60%
but
Minimum own contribution
from public beneficiaries
= 105 € + 2% ► 107,10 €
Maximum LIFE contribution
► 92,90 €