

Norwegian Financial Mechanism 2009-2014 (Norway Grants)

Green Industry Innovation Programme Poland

Call for Project Proposals

The Green Industry Innovation Programme Poland (later referred to as the Programme) is a business development programme aiming to increase competitiveness of green enterprises, including greening of existing industries and green innovation.

The Green Industry Innovation Programme's vision is: Good for business and good for the environment. All projects to be funded by this Programme have to aim at a final result of improving the environmental performance of enterprises.

The Programme specific outcome is "Realization of business opportunities of greening the European economy".

The Programme Operator is Innovation Norway, a state owned entity under the Norwegian Ministry of Trade and Industry and the Norwegian County Municipalities.

The highest degree of transparency, accountability and cost efficiency as well as the principles of good governance, sustainability, gender equality and equal opportunities shall apply in implementation of Norway Grants.

The total available amount for co-financing of projects in this Programme is EUR 17 783 000 under an Individual Projects Scheme. The deadline for applications is May 28, 2014 at 13.00 hours.

In addition the amount of EUR 75,000 is available for travel support during the preparations of applications. Applications for travel support will be assessed consecutively on a first come first served basis. The deadline for applications is April 30, 2014.

IMPORTANT:

This call text shall be read in conjunction with the Rules and Procedures for the implementation of the Green Industry Innovation Programme Poland.

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1. General information about Green Industry Innovation Programme Poland

The Green Industry Innovation Programme Poland is a programme area under the Norwegian Financial Mechanism 2009-2014 (Norway Grants) and shall contribute to the reduction of economic and social disparities in the European Economic Area (EEA) and to strengthen the bilateral relations between Poland and Norway.

Under the present Call for Project Proposals an Individual Projects Scheme is available for applicants and partners. In addition, Travel Support is available.

Polish and Norwegian entities are eligible to apply for a Travel Support amounting to EUR 1 200 pr. Entity in order to develop partnerships and to prepare the application for a donor partnership project.

The following definitions are used in this Programme:

Environmental friendly technologies include technologies which are less environmental harmful than the technology in use today, encompassing technologies and processes to manage pollution (e.g. air/water/soil pollution control, waste management) and to use resources more efficiently.

Green products and services are goods and services having less of an impact of the environment (less polluting and less resource-intensive) or less impact on human health than traditional equivalents and which are economically viable.

Material efficiency and waste management are improved material flow in manufacturing and supply-chain, use and re-use of recycled materials (including waste handling and management), development of new or improved products based on recycled materials and innovation that change production and consumption patterns.

“Greener” production processes are improvements related to the way the business operation is carried out related to business models, standardization, certification, Human Resources (HR), smart purchasing, supply chain management, green energy interventions that support the greening of enterprises’ activities and processes, initiatives related to Corporate Social Responsibility (CSR), cooperation with networks/clusters etc.

“Green” jobs (ILO definition) jobs that help reduce negative environmental impact ultimately leading to environmentally, economically and socially sustainable enterprises and economies. More precisely green jobs are decent jobs that:

- Reduce consumption of energy and raw materials
- Limit greenhouse gas emissions
- Minimize waste and pollution
- Protect and restore ecosystems

Innovation

By innovation we mean something new. Innovation at enterprise level includes product/service innovation, process innovation, organizational innovation, market innovation (not adaption), with the aim to increase the environmental performance of the enterprise.

Releasing effect

Projects shall constitute of activities that would not have been carried out without grants from this Programme, i.e. activities that the enterprise are obliged to implement shall not be funded.

Corporate Social Responsibility (CSR)

Through corporate social responsibility (CSR), the business sector contributes to a positive social development, strengthens its own competitiveness and acts in compliance with universal norms and values (See Innovation Norway's Policy Statement on CSR – Guiding Principles for CSR" integrated in the electronic Application Form).

Project

A project is defined as an economically indivisible series of activities with clearly identifiable aims and activities designed in such way that in the end addresses the main objective of the Programme. An application for a project may include one or more sub-projects.

Donor partnership projects

Is defined as cooperation between at least one legal entity in Poland and at least one legal entity in Norway, implementing a joint project and where all entities are independent of each other and perform relevant tasks in the completion of the project. The project should be planned and implemented together and the project partners should share the result. Long-term cooperation, beyond the project lifetime is recommended. The requirement regarding independence means that no direct ownership interest in other partners is allowed. The partnership must be established prior to application.

SMEs – Small and Medium Sized Companies

A small company is a company that has less than 50 employees and a turnover less than EUR 10 million and a total balance of less than 10 million. A medium size company is a company that has less than 250 employees and a turnover less than EUR 50 million and a total balance of less than 43 million.

These ceilings apply to the figures for individual companies only. A company which is part of larger grouping may need to include employee/turnover/balance sheet data from that grouping too.

See the EU guide to SMEs

<http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/>.

Clusters

A network of connected businesses, suppliers, and associates in a specific field that are all located in the same geographical area

Working capital

The company's current assets exceed its short term liabilities, which means that there is enough liquidity to cover short term obligations.

Equity

The value of the company assets after deduction of liabilities.

2. Eligible activities

This Programme can provide support for Projects that will develop and implement activities within the enterprise applying for funding, in one or more of the following areas:

1. Development, implementation and investment in innovative environmental friendly technologies
2. Development of green products and services
3. Development and implementation of "greener production processes, and
4. Training, awareness raising and verifications as a secondary activity related to the above activities

IMPORTANT:

Please note that projects must contribute directly to one or more of the outcome indicators set for the Programme:

1. New environmental technologies successfully developed and ready for commercialization.
2. New or improved green products and services provided on the market
3. Number of environmental technologies successfully adapted and/or applied for use in new areas
4. Green jobs created*

***Indicator 4 – “green jobs created” could be chosen only in connection with another Programme indicator**

3. Eligible Applicants and Partners

3.1. Eligible applicants are:

Private SME enterprises, constituted as legal entities in Poland according to Polish legislation.

3.2. Eligible partners

Enterprises, research institutions and clusters, both in Poland and Norway will be eligible as project partners.

Partnerships are not mandatory, but Donor partnership projects are strongly encouraged and will be awarded extra points during the project assessment process.

An eligible donor partnership project shall consist of at least one Polish legal entity and at least one legal entity from Norway and must demonstrate added value to both parties.

Further Guidelines on donor partnership projects under Norway Grants 2009-2014 is available on the dedicated Programme web-site.

3.3. Additional criteria for applicants and partners

Additional conditions must be fulfilled by the Applicant and Partner(s):

- a) the Applicant and the Applicant's Partner(s) must have been in operation for at least one fiscal year prior to the application;
- b) the Applicant's main activities are closely related to the activities for which an application is made;
- c) the Applicant and Partner(s) and the applicant's legal representative signing the application have clean criminal and tax records;
- d) if the Applicant has one or more Partners, a draft Partnership Agreement defining the Parties different roles and responsibilities, has to be signed by all partners and attached to the application.

Moreover, Applicants may not participate in this Call for Project Proposals or be awarded grants if:

- a) they are bankrupt, are entered in judicial administration or are under liquidation, 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;
- b) they have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organization or any other illegal activity detrimental to financial interests, without evidence of substantial correction measures taken in the past years.

4. Minimum and maximum grant amount per project

The minimum amount of grant assistance applied for shall be EUR 170,000.
The maximum amount of grant assistance applied for shall be EUR 1,500,000.

5. Grant rate and co-finance ceiling

The grant rate *will be* in line with the applicable state aid legislation taking into account economic benefits and all other relevant aspects.

The co-financing shall be provided in the form of cash by the Project Promoter and/or by Project Partner(s). If not, the Application will be rejected during the assessment. Special Conditions in the Project Contract will address the co-financing issue, such as transfer of some cash co-financing into the project bank account before the release of the advance payment. Another measure for insuring sufficient co-financing will be a mandatory Letter of Commitment from the owners of the private enterprise and from the donor project partner(s).

Man-hour contribution from the Project Promoter and Partner(s) will be accepted as cash contribution, based on approved hourly rates for salaries.

6. Duration of projects

The projects must be completed by 30 April 2017, which is also the end of the eligibility period for the implementation of the programme. It is expected that the implementation period of the awarded projects will start at the latest in the first quarter of 2015, which means that you should not plan for a project implementation period for more than 28 months.

7. Eligibility of expenditure in projects

General principles and detailed provisions for the eligibility of expenditures are described in the Rules and Procedures for the Programme. For Applicants or projects performing economic activity, the state aid regulations in EU/EEA will apply. The grant assistance is normally limited to the General Block Exemption Regulation (GBER) http://ec.europa.eu/competition/state_aid/legislation/block.html

Eligibility of expenses for financial assistance (aid) will be in line with the following categories:

1. Regional Aid, article 13 – maximum grant rate 50% plus 20% bonus for small enterprises or 10 % bonus for medium sized enterprises
2. Research and Development and Innovation, Section 7- experimental development - maximum grant rate of 25% plus SME bonuses and collaboration bonus of 15% under certain conditions
3. Aid for environmental protection – maximum grant rate of 35% plus SME bonuses
4. Aid for training – specific training 25%, general training 60% plus SME bonuses
5. Aid for consultancy in favour of SMEs- maximum grant rate of 50%
6. In special occasions, financial support will awarded as *de minimis* support in line with the Commission Regulation (EC) No 1998/2006 (max. EUR 200,000 over three fiscal years).

In cases where eligibility provisions in the General Block Exemption Regulation (GBER) are more extensive than the detailed eligibility provisions in the Rules and Procedures for this Programme, the Rules and Procedures will prevail.

8. Procurement and state aid

Polish and European Union legislation on public procurement shall be complied with at any level in the implementation of a project. A Project Promoter that receives 50% or more of the eligible expenditure of the project shall conduct its procurement for that project in compliance with the national public procurement law. This paragraph applies *mutatis mutandis* to project partners.

As regards state aid, the grant provided must be in compliance with the relevant state aid legislation, particularly the applicable General Block Exemption Regulation (Currently this is Commission regulation (EC) No 800/2008 of 6 August 2008 declaring certain categories of aid compatible with the common market in application of Articles 87 and 88 of the Treaty (now 107 and 108 of the TFEU), General Block Exemption Regulation (GBER) (Official Journal 2008 L 214, p. 3), and the EU rules on *de minimis*.

9. Travel support

A budget EUR 75 000 is allocated for travel support to search for/work with project partner(s) prior to or during the preparation of a donor partnership project application.

Deadline for applications on travel support is 30 April 2014. Applications will be assessed consecutively on a first come first served basis.

9.1. Eligible applicants

Legal entities made eligible applicants in point 3.1 and eligible partners in point 3.2 are eligible for travel support.

The support will be provided as a lump sum to cover travel costs and accommodation, but not more than EUR 1,200 for one person per entity.

The applicable rules on state aid shall be complied with. Travel support will be given as *de minimis* aid for enterprises.

Specific Guidelines and further information about the application process for travel support and can be found at the dedicated Programme web-site.

10. Project assessment criteria and methodology

This article refers to assessment of Individual Projects Scheme.

Innovation Norway will assess all project applications based on the criteria for eligibility, selection and award set out in the Rules and Procedures on the implementation of the Green Industry Innovation Programme in Poland.

Innovation Norway will perform a review of applications received within the deadline set out in the Call for Project Proposals and if any shortcomings are found concerning the formal/administrative criteria, these can be corrected by the Applicant upon written request from Innovation Norway. Applicants whose

applications are rejected at this stage shall be informed in writing and will have two weeks to appeal that decision to Innovation Norway.

Applications meeting the formal/administrative criteria, as well as the eligibility criteria, will then be subject to a full assessment organised by Innovation Norway. Innovation Norway may use external experts in the assessment process.

Project applications must comply with a specified set of assessment criteria. The said criteria are based on the objectives and outcome that the Programme seeks to achieve. Objectives and principles of good governance, sustainable development and gender equality are cross-cutting issues that shall be considered as part of the assessment process, as well as Corporate Social Responsibility.

The application assessment criteria are divided into the following sections:

1. Formal/Administrative criteria

- a) The application has been filled in according to the instructions given in the Call for Project Proposals, Rules and Procedures in the electronic Application Form and the Guidelines and all mandatory documentation is attached to the application;
- b) The application and requested supported documents are submitted and presented in English; apart from certificates and certified accounts, which can be submitted and presented in Polish.
- c) The appropriate electronic Application Form has been used.

2. Eligibility criteria

- a) Applicant
 - i. The Applicant is constituted as a legal entity in Poland (either in the KR's Registry or CEIDG Register)
 - ii. In the case of donor partnership project, a draft Partnership Agreement defining the partners different roles and responsibilities has to be signed by all partners and attached to the application;
 - iii. The Applicant (and any partner(s)) has been in operation for at least one fiscal year, and their main activities are closely related to the activities for which the application is made;
 - iv. The applicant (and any partner(s)) and the legal representative signing the application have clean criminal and tax records;
 - v. The applicant has a positive working capital and equity capital.
- b) Project
 - i. The proposed project is relevant for the Programme specific outcome and within the eligible activities defined in the Call for Project Proposals;
 - ii. Grant minimum and maximum amounts and co-financing rates are complied with and the project implementation period is no longer than the deadline for cost eligibility;
 - iii. No overlapping/double funding arises from the applications for a similar project from EU/EEA/International Financial Institution/bilateral or other sources;
 - iv. The project is in compliance with both EU and national legislation in Poland (in particular public procurement, state aid and environment requirements).

3. Technical and financial assessment criteria

- i. The entity/entities have the necessary human resources and the technical and financial capacity (including documented necessary working capital and a sound equity capital situation) to implement the project and support its costs;
- ii. The project is mature, i.e. technically viable and feasible in terms of time schedule, budget and value for money;
- iii. If applicable, the quality of the partnership agreement, the division of tasks and responsibilities among partners is established and described and each partner has a significant contribution to the project activities;

- iv. The project is adequately supported by a risk mitigation plan;
- v. The quality of the planned arrangements to publicize the project and disseminate the results and impact (Publicity Plan);
- vi. The Project Promoter and the Partners adhere to Corporate Social Responsibility (initiatives on company level)
- vii. The project meets the Programme specific expected outcome and the eligible activities set out in the Call for Project Proposals; and demonstrate a high degree of improvement of the environmental performance of enterprises and/or environmental impact during project implementation/upon project completion
- viii. The project is in compliance with relevant cross-cutting issues in the Application Form (on project level);
- ix. The grant awarded has a releasing effect on the project;
- x. The project is in compliance with Polish national, regional and local plans or strategies;
- xi. The project has added value, i.e. the socio-economic profitability;
- xii. The project incorporates clear sustainability measures, i.e. the durability of the project after the implementation deadline;
- xiii. The project contributes to the overall objectives of Norway Grants 2009-2014 (reduction of economic and social disparities in the European Economic Area and to strengthen the bilateral relations between Poland and Norway).
- xiv. Project profitability;
- xv. Assessment of financial reports/certified accounts;
- xvi. Operating risk rating;
- xvii. Credit score rating;
- xviii. Project document/Business plan;
- xviii. Innovation level;
- xx. Intellectual Property Rights status;
- xxi. Market potential and competitiveness.

4. Selection and award

The assessment criteria above will be scored in a rating from one to six points (1 lowest, 6 highest). The scoring will constitute a basis for an assessment profile. Each of the assessment criteria may be a critical success factor, a factor that can jeopardize the whole project. The scoring profile will be the basis for the prioritizing for the project proposals.

The main principle will be that those projects with the highest scoring, as a result of the assessment process, will have the highest probability to be awarded a grant.

After the assessment of the project proposal has been performed, Innovation Norway will make the final grant decision. Applicants shall be notified of the decision of Innovation Norway to support or reject their application.

All applicants will receive information about the status of the assessment of their project application within tentatively 5 months after the closure of the Call. A list of approved projects will be published on the dedicated Programme web-site.

Further information on the project assessment criteria and methodology can be found at the dedicated Programme web-site www.norwaygrants-greeninnovation.no

11. Mode of Payment

Grant assistance shall be given as reimbursements of already incurred documented costs according to an agreed disbursement plan.

The Project Promoter (Applicant) has the opportunity to apply for an advance payment in line with the requirements in the Rules and Procedures.

Interim payments will be made on the base of interim reports with description of results and impact together with financial statements. All financial statements on claimed expenses in project reports shall be confirmed by a certified auditor, audit requirements will be detailed in the Project Contract.

Commitments and payments will be carried out in Euro (€).

Payment claims (incl. advance payment) forwarded from the Project Promoter to Innovation Norway shall be in Euro (€).

12. Procedure for submission of application

Only electronic applications, submitted to Innovation Norway, Oslo, in English, will be accepted. For the list of mandatory attachments, see point 13.

The electronic applications and templates for the mandatory supportive documents are available on the dedicated Programme web-site www.norwaygrants-greeninnovation.no through which project applications is to be submitted.

13. Documents of specific importance to the Call / essential reading:

In addition to the Call, the following documents shall be read by Applicants and eventual Partner(s) when preparing the project application:

- Executive Summary of Programme Document;
- Standard Terms and Conditions for Norway Grants operated by Innovation Norway;
- Rules and Procedures on the implementation of the Green Industry Innovation Programme Poland;
- Study help text in application form ;

The Following documents are mandatory attachments to the electronic Application Form they are to be submitted in English if not otherwise indicated:

- Template – Project Implementation Plan;
- Template – Detailed Activity Based Budget;
- Template – Disbursement Plan;
- Template – Procurement Plan;
- Template – Letter of Commitment, also for Partner (if relevant)
- Template – Partnership Agreement (if relevant);
- Publicity Plan;
- Relevant Registration Certificates (an excerpt either from the KRS or from the CEIDG register – in Polish)- For Norwegian partners this is available from public sources
- Clean Criminal and Tax Record; (self-declaration)
- C.V.'s for project management team; coordinator, financial/technical/other expertise
- Certified annual accounts (in Polish) 2011 and 2012
- Template – Project Document/Business Plan

Some links to useful documents/important reading are also available on the dedicated Programme web-site:

- State aid overview (General Block Exemption Regulation);
- State aid - Vademecum;
- Polish legislation on public procurement;
- European Enterprise Network in Poland;

- The Norwegian Trade Portal;
- Guidelines to potential partners from donor state (Norway).
- Information in Polish Norway Grants Poland – The Ministry of Infrastructure and Development
- The Norwegian Embassy in Warsaw
- EEA and Norway Grants.
- Business Plan example
- Polish Chamber of Commerce
- Norwegian-Polish Chamber of Commerce

14. Queries

Questions and/or further need for clarifications will be responded to in writing. Please use the Programme's e-mail address poland@norwaygrants-greeninnovation.no until Wednesday 28 May 2014. Queries will normally be replied to within 3-5 working days.

A Frequently Asked Questions section (FAQ) will be published at the Programme web-site based on questions received from potential applicants and partners. The FAQ will be updated on a regular basis.

More information

Entities interested in applying for grant support from Green Industry Programme Poland can access all relevant information and application submission forms at www.norwaygrants-greeninnovation.no

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More background information about the EEA and Norwegian Financial Mechanisms is available on: www.eeagrants.org