



CIP ECO-INNOVATION PILOT AND MARKET REPLICATION PROJECTS: FREQUENTLY ASKED QUESTIONS

1. Which economic sectors are covered by the programme?

The Eco-innovation programme is a cross-cutting programme that supports eco-innovative projects in different sectors which aim at the prevention or reduction of environmental impacts or which contribute to the optimal use of resources. Hence, all sectors and activities are potentially eligible for funding under the Eco-innovation programme. However, more specific priorities have been set out based on their important environmental impacts. Current priority areas for the Eco-innovation 2008 Call include the field of material recycling, the building and construction sector, the food & drink industry and the area of green business & smart purchasing.

2. What does "a life-cycle oriented approach" mean?

The Eco-innovation programme encourages the submission of proposals that take into consideration the entire life-cycle of products, from production to disposal. Such approach should cover the whole supply chain and not focus on a single domain i.e. water or energy consumption. However, it should be highlighted that it is not a legal requirement or a precondition for selection to conduct a full or simplified Life Cycle Assessment (LCA) study in order to demonstrate that your proposal takes a life-cycle oriented approach.

3. Does the Eco-innovation programme fund research and technological development (RTD) projects?

The Eco-innovation programme does not fund RTD projects. It aims to bridge the gap between RTD and commercialisation. It supports market uptake and provides new driving forces that will encourage the spreading of innovative techniques, processes, products or services on a broader scale.

4. Is Eco-innovation a marketing programme?

No, Eco-innovation is not a marketing programme. The Eco-innovation programme aims to support for example innovative, creative products in order to move from the prototype phase on to the industrialisation phase, provided that the product has proved its transferability and adaptability. This support could also include commercialisation activities but mostly for the market uptake of the product itself and not for promotional activities and marketing purposes.

5. Do you support the development of management tools?

The Eco-innovation programme could support the implementation of added-value tools which improve the management of all environmental aspects and impacts whilst being innovative and environmentally beneficial.



6. What kind of actions would you expect regarding EMAS and Eco-labelling?

The Eco-innovation programme encourages innovative forms of cooperation and knowledge sharing between SMEs involved in the application of EMAS and EU Eco-Label schemes. The programme aims to support projects that go beyond the standard requirements laid down in the current EMAS and EU Eco-label Regulations:

- Standard applications for EMAS registration will not be supported.
- Cluster approaches to EMAS that actively engage SMEs operating in the same sector (such as an industrial sector, service sector, tourism or even within the whole supply chain) and between organisations operating in the same region are encouraged.
- Actions and projects aiming to improve direct or indirect environmental impacts, such as carbon footprint and/or the integration of LCA of products to the EMAS scheme, are encouraged.
- Projects focusing on eco-labelling should go further than the existing EU Eco-label criteria, integrating new dimensions such as carbon footprint and impacts on biodiversity, third party verification and a stronger interrelation with other product-related regulations.

7. Does the Eco-innovation programme only support the EU Eco-label scheme?

As previously mentioned, the Eco-innovation programme welcomes new dimensions of the European Eco-label ("The Flower") scheme. However, other types of Eco-label schemes are also welcome when their European added value is clearly demonstrated.

8. Does the Eco-innovation programme support the organisation of conferences, events or forums on eco-innovation?

No. The organisation of conferences, events or forums is not financially supported under the Eco-innovation programme as such. However, events, fairs and workshops important for the project success may be eligible.

9. Does the Eco-innovation programme support networks?

No. Networks are not financially supported under the Eco-innovation programme. For more information please consult the Enterprise Europe Network
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

10. How many partners should be involved in an Eco-innovation project?

The Eco-innovation programme does not restrict the number of partners or countries involved. Even one partner from one country can submit a project proposal. However, the European added value and the benefits of the project on a European level must be demonstrated. For example, it must be clear why this project should receive European funding as opposed to being funded by local, national or regional resources.

11. Can a large enterprise participate in the programme?

Yes. Although the focus is on SMEs, large enterprises are included in the Eco-innovation programme.



12. Can research and technological institutes apply for funding under the Eco-innovation programme?

The Eco-innovation programme is open to all legal persons that are based in eligible countries but the priority will be given to Small-and Medium-sized Enterprises (SMEs). Clusters of applicants (including research and technological institutes) and projects which demonstrate a European added value and have a high potential for market replication are encouraged to apply under the Eco-innovation programme.

13. How can I find potential project partners?

Guidance and information in finding potential project partners can be provided through different channels:

- Business networks such as the Enterprise Europe Network (http://www.enterprise-europe-network.ec.europa.eu/index_en.htm)
- Local/regional organisations such as Chambers of Commerce and SME associations
- EC websites such as the CORDIS Partners service to find partners for commercial collaboration at <http://partners-service.cordis.lu/> or the ManagEnergy online partner search facility (<http://www.managenergy.net/submenu/Sps.htm>).
- You can also promote your invention through the Technology Marketplace established as part of the European Commission's Research and Development Information Service. For this service you can submit information directly via an on-line entry form at <http://www.cordis.lu/marketplace/>

14. Which countries are eligible?

Legal persons from the following countries may apply:

- EU 27
- Iceland, Norway and Liechtenstein

The following countries have signed a Memorandum of Understanding (MoU) on participating in the programme - they can participate if the MoU has entered into force by the Call deadline:

- Croatia
- Turkey
- Former Yugoslav Republic of Macedonia
- Montenegro
- Israel

Check the website for the latest information.

15. Is there an overlap between the Eco-innovation programme and other Commission programmes?

The Eco-innovation programme aims to support the first application and further market uptake of some of the best eco-innovative techniques, processes, products or services in Europe, and helps overcome those critical barriers that still hamper their commercial success. However, there are sometimes borderline areas between the objectives of the Eco-innovation programme and other Commission funding programmes. Some boundaries that help clarify those areas of overlap between the Eco-innovation programme and other funding programmes are:

- Projects oriented to public authorities should be presented to LIFE+ <http://ec.europa.eu/environment/life/index.htm>
- Projects at research stage with high technology risks should be presented to DG RTD (FP7) http://cordis.europa.eu/fp7/home_en.html
- Projects focusing on energy efficiency or renewable energy sources should be presented to Intelligent Energy Europe programme http://ec.europa.eu/energy/intelligent/index_en.html



- Projects focusing on land-use, urban planning and water management should be presented to LIFE+ or DG RTD

16. Which documents will be translated into other languages?

The Call for Proposals is available in English, French and German. The application forms and the Guide for proposers are only available in English.

17. Do you offer pre-screening checks for my project proposal?

The Eco-innovation 2008 Call does not offer full pre-proposal checks. However, you may send us a short description (max 2 pages) of your project in order to receive some feedback and comments until 2 weeks before the call closes (28 August 2008).

18. Does the Eco-innovation programme fund construction of prototypes and demonstration projects?

Construction of prototypes and demonstration projects are normally not eligible under the Eco-innovation programme. The programme aims, in particular, to support projects concerned with the first application or market replication of eco-innovative techniques, processes, materials, products or services.

19. Does the Eco-innovation programme fund the construction of new installations?

Yes. The Eco-innovation programme funds "hardware" type of investments, such as new recycling installations and infrastructure. Such "hardware" type of investments must already have been technically demonstrated with success but have not yet penetrated the market. However, only the portion of the equipment's depreciation corresponding to the duration of the action and the actual usage rate for the purpose of the action may be taken into account as eligible costs. Additionally, only the costs for equipment or infrastructure directly linked with the innovative action are eligible for funding. For example, the construction of a new recycling plant would not be completely eligible, but those components in the production process or parts of the plant which are needed to produce the innovative recycled material can be eligible.

20. Can project management costs or other core project tasks be subcontracted?

Core project tasks (including project management) should be conducted by the consortium partners. However, you could subcontract parts and activities of the project (up to a maximum of 35% of total eligibility cost) to external partners provided that they are unique specialists who can offer the service in question. Furthermore, subcontracts must be awarded in accordance with the conditions set out in the general conditions of the grant agreement. In summary, this means that subcontractors should be selected on transparent grounds, to the best offer, taking into consideration price and quality (best value for money).

21. I am a start up company, how can I prove financial stability?

When a private organisation has been recently established, the simplified financial statement (balance sheet and profit and loss account) will be normally empty at the time of the proposal submission. At that point in time, no financial data would be available, except a **business plan**. The business plan for the financial year in course needs to be sent to the Agency



In addition to that, after the signature of the grant agreement, the Agency will ask automatically for a **financial guarantee** for the first pre-financing payment (i.e. 30% of the EC contribution).

22. What's an SME ?

1. The first condition to qualify as an SME is to be an enterprise, which means that you should **have an economic activity**.

2. Once you have verified that you are an enterprise, you have to establish the data of your enterprise according to the following **three criteria**:

1. staff headcount,
2. annual turnover,
3. annual balance sheet.

Comparing your data with the thresholds for the three criteria will allow you to determine whether you are a small or medium-sized enterprise.

Enterprise category	Headcount: Annual Work Unit	Annual turnover	or	Annual balance sheet total
Medium-sized	<250	≤ €50 million	or	≤ €43 million
Small	<50	≤ €10 million	or	≤ €10 million

3. To work out your individual data, you will have to establish whether your enterprise is

- **autonomous** (by far the most common category),
- **partner** or
- **linked**.

To do this, you must take into account any relationships you have with other enterprises (either upstream or downstream).

Depending on the category your enterprise fits in, you may then need to add some, or all, of the data from those enterprises to your own. The calculations for each of the three types of enterprise are different and will ultimately determine whether you meet the various ceilings established by the SME definition.



(Enterprises which draw up consolidated accounts or which are included in the accounts of an enterprise which does so are usually considered as linked.)

We strongly recommend SMEs to read:

- the EC Recommendation (2003/361/EC) concerning the definition of micro, small and medium-sized enterprises and
- 'the new SME definition - User guide and model declaration' explaining the 3 previous points, the exceptions and the way to calculate the 3 criteria.

Both documents can be found at :

http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm

Please note that according to our 'Guide for Proposers' every SME will have to fill in the 'Declaration of SME Status'. The declaration will shortly be available on our web-site.