



# Urban Innovative Actions

## Applicant Seminar

1st Call for Proposals

Brussels, 13th January 2016



European Union  
European Regional Development Fund



RÉGION  
NORD-PAS DE CALAIS

# Policy context and expectations



Walter Deffaa

Director General, DG Regional and Urban Policy,  
European Commission

Anne Wetzel

Director, European Affairs, Region Nord Pas de  
Calais – Picardie (Entrusted Entity)



# Agenda for the day



- ✓ The UJA Initiative
- ✓ The 1st Call for Proposals for UJA
- ✓ Application Form





# Who is in the room?





# Introduction to the UJA Initiative



# Main objectives



**Art.8 ERDF:** “... *To identify and test new solutions which address issues related to sustainable urban development and are of relevance at Union level.*”

- To provide urban authorities with resources to test how new and unproven solutions work in practice and how they respond to the complexity of real life
- To draw lessons and share knowledge with other urban authorities across Europe

# Key figures



- UIA budget: EUR 372 Mio ERDF
- Co-financing per project: max. EUR 5 Mio ERDF
- Co-financing rate: max. 80%
- Project duration: max. 3 years



# Main features of UIA projects



## Requirements:

- Be related to sustainable urban development
- Be of relevance at Union level
- Support the thematic objectives and investment priorities for ERDF

## Characteristics:

- **Innovative:** *To what extent the project proposal is a new solution that has the clear potential to add value?*
- **Of good quality:** *To what extent is the work plan realistic, consistent and coherent? To what extent is the budget coherent and proportionate?*
- **Built and delivered in partnership:** *To what extent is the involvement of key stakeholders relevant for the implementation of the project?*
- **With measurable results:** *To what extent will the project deliver measurable results?*
- **Transferable:** *To what extent will the project be transferable to other urban areas across Europe?*



# UIA Experts



- UIA Expert to provide approved project with:
  - Advice and guidance on the substance of the action, especially regarding the innovative content
  - Assistance in the development of documentation and outputs that will capture and disseminate lessons learnt, good practice, etc. to the wide audience
  - Support to ensure that the action remains on track and is in line with the agreed proposal
- Selected through Calls for Applications (linked to the Call for Proposals)
- In depth expertise on the selected topics and urban innovation
- Allocated to approved projects by the Permanent Secretariat
- Up to 40 days of expertise over 4 years (3+1)
- Costs for expertise and travel & accommodation covered by UIA Initiative

# Eligible authorities



## UIA Delegated Act:

- Any urban authority of a local administrative unit defined according to the degree of urbanisation as city, town or suburb comprising at least 50.000 inhabitants
- Any association or grouping of urban authorities of local administrative units defined according to the degree of urbanisation as city, town or suburb where the total population is at least 50.000 inhabitants; this can include crossborder associations or groupings, associations or groupings in different regions and/or Member States



Any **urban authority** of a local administrative unit defined according to the degree of urbanisation as city, town or suburb comprising at least 50.000 inhabitants

- ✓ **Local administrative unit:** democratically elected administrative body relevant to the urban area concerned (eg. city council, municipality, borough)
- ✓ **Degree of urbanisation:** classification based on a combination of geographical contiguity and minimum population threshold applied to 1km<sup>2</sup> population grids –classification elaborated by Eurostat
- ✓ **Number of inhabitants:** based on figures provided by Eurostat

**EUROSTAT Correspondance table LAU2-NUTS2010, EU28 (2012)**



Any **association or grouping** of urban authorities of local administrative units defined according to the degree of urbanisation as city, town or suburb where the total population is at least 50.000 inhabitants

- a. Associations with a legal status of organised agglomeration, recognised as tiers of government by national legislation (Communautés d'Agglomeration, Città Metropolitane, etc.)
- b. Associations without a legal status of organised agglomeration, created on a voluntary basis by the urban authorities involved (already existing or created for the purpose of the UIA Initiative)

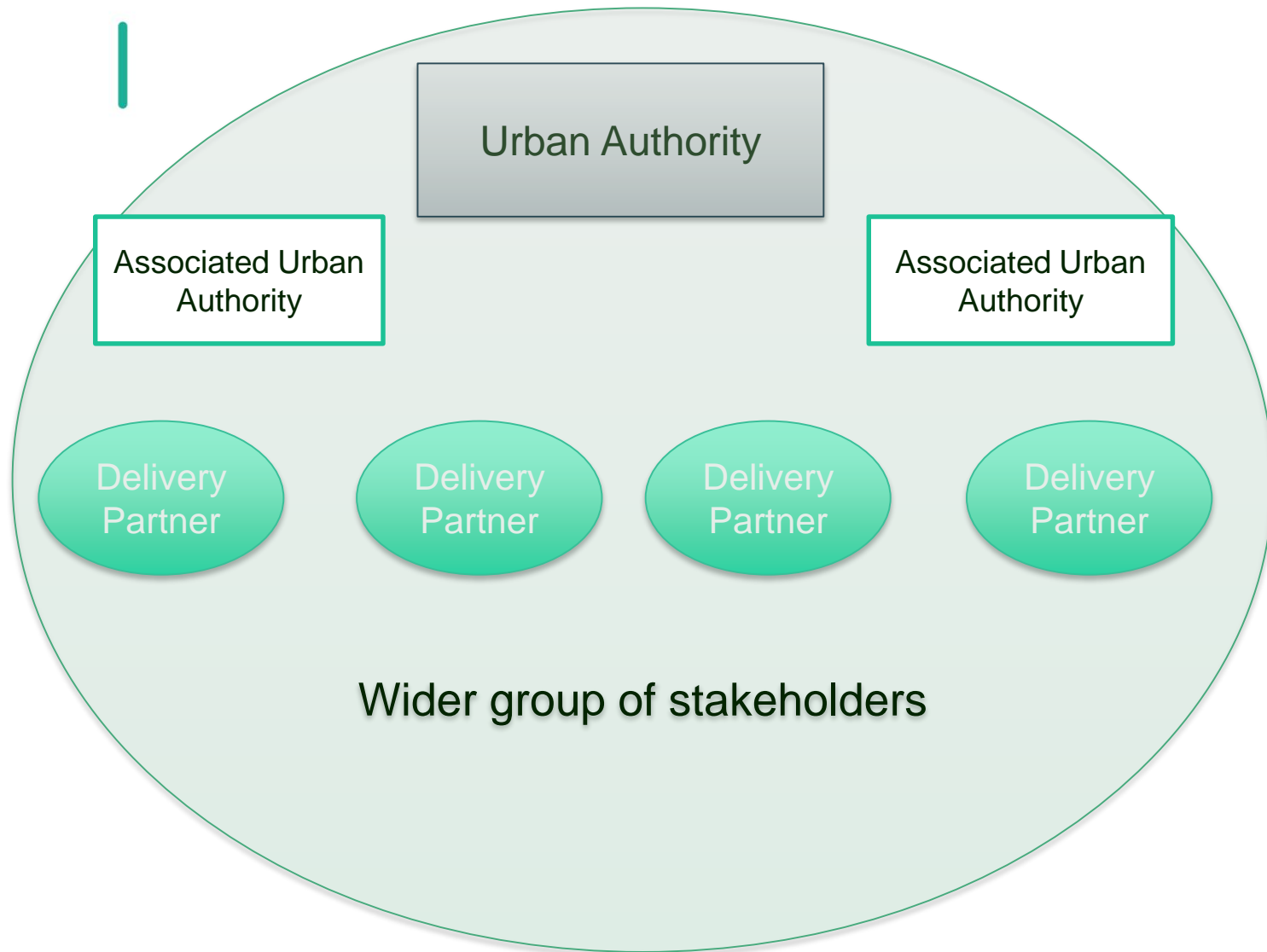
In this case, main and associated urban authorities shall be designated and a limited number of urban authorities with territorial contiguity is recommended.



- ✓ All Urban Authorities shall be located in an EU Member State
  
- ✓ An Urban Authority or an association/grouping can submit only one project proposal in the framework of each Call for Proposals



# Partnership for UIA projects



# Funding principle



## Total Costs

- ERDF co-financing: max. 80%
- Partner contribution: min. 20%
  - Own resources or not
  - Private or public (the latter is encouraged)

## ERDF advance payment

- 50% on signature of the subsidy contract
- 30% when project expenditure reaches 70% of 1<sup>st</sup> instalment
- Remaining ERDF paid on closure of the project
  - = pre-financing by project

# Management structure



**European Commission:** represents the European Union. In charge of implementing resources allocated to Innovative Actions under indirect management. UJA selected projects are agreed by the European Commission.

**Entrusted Authority:** Region Nord-Pas de Calais-Picardie. In charge of the implementation of the UJA Initiative and selection of projects on the basis of the Delegated Act and the Delegation Agreement signed with the EC.

**Permanent Secretariat:** Based in Lille. In charge of the daily management of the UJA Initiative. It is the “one-stop-shop” for all urban authorities and stakeholders.





# Permanent Secretariat



## Who does what?

**Tim Caulfield – Director**



**Jean Christophe Charlier – Finance coordinator**



**Raffaele Barbato – Project Coordinator**



**Hélène Berges – Communication Officer**



**Katherine Coulon – Office Assistant**



**Camille Degryse – Office Assistant**



**Laurent Dachy – IT Officer**





# Questions & Answers



# The 1<sup>st</sup> Call for Proposals for UIA

# UIA – TOPICS OF THE 1<sup>ST</sup> CALL



- UIA will seek to operate within the framework of the 12 EU Urban Agenda topics
- Topics will be covered on a rolling basis i.e. a few topics per call
- Allows for more strategic choices, the avoidance of overlaps and a more focussed approach. New knowledge is the driving force.
- 1<sup>st</sup> Call – 4 topics
- Description of the topics selected for each Call detailed in specific Terms of Reference



# 1st Call for Proposals: 4 topics



1. Urban poverty – with a focus on deprived neighborhoods
2. Integration of migrants and refugees
3. Jobs and skills in local economy
4. Energy transition



# URBAN POVERTY – WITH A FOCUS ON DEPRIVED NEIGHBOURHOODS



- Key aim of the Europe 2020 strategy
- Economic crisis exacerbated the problem – every 4<sup>th</sup> European is at risk of poverty or social exclusion
- One of the key challenges identified by stakeholders in the EU Urban Agenda consultation
- A complex problem with multiple factors to consider – unemployment, health, education, spatial segregation etc.
- Projects sought that propose innovative solutions in relation to the interconnectedness of the major causal factors of urban poverty

# Integration of migrants and refugees



- The pressing issue in the EU at the moment – cities are at the forefront of the situation
- An issue that will grow in importance in the future
- Migration policy dependent upon effective inclusion measures – poor management of this issue can lead to major problems
- Important impacts on social and health infrastructure, labour market, education, deprived urban areas, housing etc.
- Projects sought that propose innovative solutions to the medium-long term integration of migrants and refugees into the urban fabric



# Energy transition



- Shift from a system dominated by finite energy towards a system using a majority of renewable energy sources
- One of the key objectives of EU energy and climate policy - beneficial for security of supply, sustainability, affordability and competitiveness of the EU economy
- Cities are central - 60 to 80% of global energy consumption
- Topic encompasses technological, societal, cultural, economic and environmental aspects
- Large scope for possible innovation - production of renewable energy at local level; retrofitting of buildings; measures to tackle fuel poverty; low carbon technology; smart energy management etc.







- Job creation one of the key issues in our consultation on the EU Urban Agenda
- 22.6 million people in the EU were unemployed as of September 2015
- Cities have a key role - more than two-thirds of the EU's workforce live in cities and they are the drivers for innovation, competitiveness and economic growth
- Topic has been kept broad to ensure flexibility in types of projects proposed
- Large scope for possible innovation: strengthening local supply chains; connecting SMEs to wider markets; creating an entrepreneurial culture; fostering job-rich sectors; matching labour-market need; stimulating skills demands etc.



# Application Process



- Call for Proposals:
  - ✓ **Launched: 15/12/2015**
  - ✓ **Deadline: 31/03/2016 at 14h00 CET**
  
- Documents to be submitted (via Exchange Electronic Platform EEP):
  - ✓ **Application Form**
  - ✓ **Signed Confirmation Sheet**
  
- Reference documents:
  - ✓ **Terms of Reference**
  - ✓ **UIA Guidance**
  - ✓ **Application Form – Working Document**



Application Forms can be submitted in any EU language **BUT** applicants are strongly recommended to do it in English

Application Forms not submitted in English shall be translated by the Secretariat for the assessment and the quality of the translation cannot be guaranteed

# 3-step Selection Process



Approval

Operational Assessment

Strategic Assessment

Eligibility and admissibility check



# Admissibility and eligibility check



Carried out by the Permanent Secretariat

Eligibility and admissibility criteria	Yes/No
The Application Form has been submitted electronically via the EEP before the deadline indicated in the Terms of Reference of the Call for Proposals	✓
The Application Form is completely filled in	✓
The applicant is an urban authority of a local administrative unit defined according to the degree of urbanization as city, town or suburb and comprising at least 50 000 inhabitants <b>OR</b> The applicant is an association or grouping of urban authorities of local administrative units defined according to the degree of urbanisation as city, town or suburb where the total population is 50 000 inhabitants	✓
(If applicable) In case of an association or grouping without a legal status of organised agglomeration, a Main Urban Authority and the Associated Urban Authorities are presented	✓
Time limits are respected: the end date of the project respects the Call and the Initiative requirements	✓
The maximum budget requirements and the co-financing principle are respected	✓
A signed confirmation sheet shall be uploaded in the EEP system and attached to the Application Form by the end of the Call deadline.	✓

# Strategic assessment



Carried out by the Panel of External Experts:

- Composed of around 20 experts
- With in-depth knowledge on the 4 topics and proven track record in assessing urban innovative projects
- Recruited through Call for Applications (currently open)
- Four eye approach

Focus on 4 selection criteria:

- Innovativeness (40%)
- Partnership (15%)
- Measurability of results (15%)
- Transferability (10%)



- **Innovativeness (40%)**
  - Solutions proposed have not been tested previously tested and implemented
  - Potential of new solutions to add value
  - Evidence of research into existing best practices
  - Description of obstacles/resistance to innovation and potential solutions
  - Links to existing policies and practices
  
- **Partnership (15%)**
  - Key stakeholders involved in the design and implementation of the project
  - Group of Delivery Partners is balanced and complementary
  - Delivery partners have relevant experience and necessary capacity





- **Measurability of results (15%)**
  - Expected results properly described and quantified
  - Outputs, results and target groups clearly relevant to the urban challenge addressed
  - Methodology for measuring results able to isolate changes attributable to project activities and discount external factors
  
- **Transferability and scaling up (10%)**
  - Relevance of the proposal (challenge and solution) for other urban authorities in EU
  - Clear evidence project can be applicable and replicable by other urban authorities
  - Clear explanation of how project will be scaled up, if successful



# Operational Assessment



Carried out by the Permanent Secretariat

- **Quality (20%)**
  - How well is a need for the project justified?
  - To what extent is the work plan realistic, consistent and coherent?
  - To what extent are management structures and procedures in line with the project size, duration and needs?
  - To what extent does the project budget demonstrate value for money
  - To what extent is the budget coherent and proportionate?
  - To what extent are the communication activities proportionate and forceful to reach relevant target groups and stakeholders and help achieve the project activities



# Questions & Answers





# Application Form



# Application Form contents



- **Part A – Project Summary**
- **Part B – Partnership**
- **Part C – Project Description**
- **Part D – Work Plan**
- **Part E – Project Budget**
- **Urban Authority confirmation sheet**

# Part A – Project Summary



- Project identification
- Project summary description

# Part B – Partnership



## **Profiles to be created:**

- Urban Authority
- Associated Urban Authorities (in case of associations without status of organised agglomerations)
- Delivery Partners

## **Main information:**

- General information (including number of inhabitants)
- Departments/units concerned
- Competences and experiences in relation to the topic addressed
- Experiences in other EU-funded and/or international projects
- Involvement in the design phase (only for Associated Urban Authorities and Delivery Partners)



# Part C – Project description



## 1. Project relevance and innovativeness:

- Main challenge(s) to be addressed
- Proposed solutions
- Innovativeness of the proposed solution
- Potential obstacles and resistance
- Integrated approach
- Link to ERDF Thematic Objectives and Investment Priorities

## 2. Project context and local partnership:

- Link with other local/regional/national strategies and policies
- Synergies with other projects and initiatives
- Involvement of the wider group of stakeholders in project design
- Involvement of the wider group of stakeholders in project implementation





### **3. Project objectives, outputs and results:**

- Project main objectives
- Project main results
- Project main outputs
- Measurement of results
- Methodology for monitoring and measurement of outputs and results
- Target groups

### **4. Project scaling up and transferability:**

- Scaling up of the project
- Transferability of the project





# Part D – Work Plan



The work plan describes how a project will be implemented. It structures the project and allows a proper follow-up of the project implementation. It identifies the work packages (WP), activities, main outputs and deliverables.

## Work packages

- Preparation
  - Drafting and submission of the application form
  - Not editable
  - Covered by a lump sum of EUR 20,000 TEC (EUR 16,000 ERDF)
  
- Management
  - Management and coordination of the project
  - Communication with the partnership
  - Reporting to the Permanent Secretariat





- **Communication**

- Communication strategy to support your project objectives
- Well defined target group and messages
- Standardised type of activities and deliverables

- **Implementation**

- Core of the project
- Max 4 implementation work packages
- Max 5 activities per work package
- Support of UIA Experts

- **Investment**

- Investment: output that remains in use by the project's target group after the completion of the project
- Budget lines concerned: infrastructure and equipment



- Closure and knowledge transfer
  - Administrative closure of the project
  - Support of UIA Experts
  - Final qualitative report
  - Covered by a lump sum of EUR 15,000 TEC (EUR 12,000 ERDF)



# Urban Authority confirmation sheet



- The project **neither in whole nor in part has or will receive any other complementary EU funding** (except for the funding indicated in this application form) during the whole duration of the project;
- The project partners listed in the application form are **committed to take part in the project's activities and financing**;
- The project is **in line with the relevant EU and national legislation and policies** of the countries involved;
- The Urban Authority and the project partners will **act according to the provisions of the relevant national and EU regulations**, especially regarding structural funds, public procurement, state aid, environment and equal opportunities, as well as the specific provisions of the UIA Initiative;
- The **information in the Application Form is accurate and true** to the best knowledge of the Urban Authority.



# Eligibility rules - Driving principles



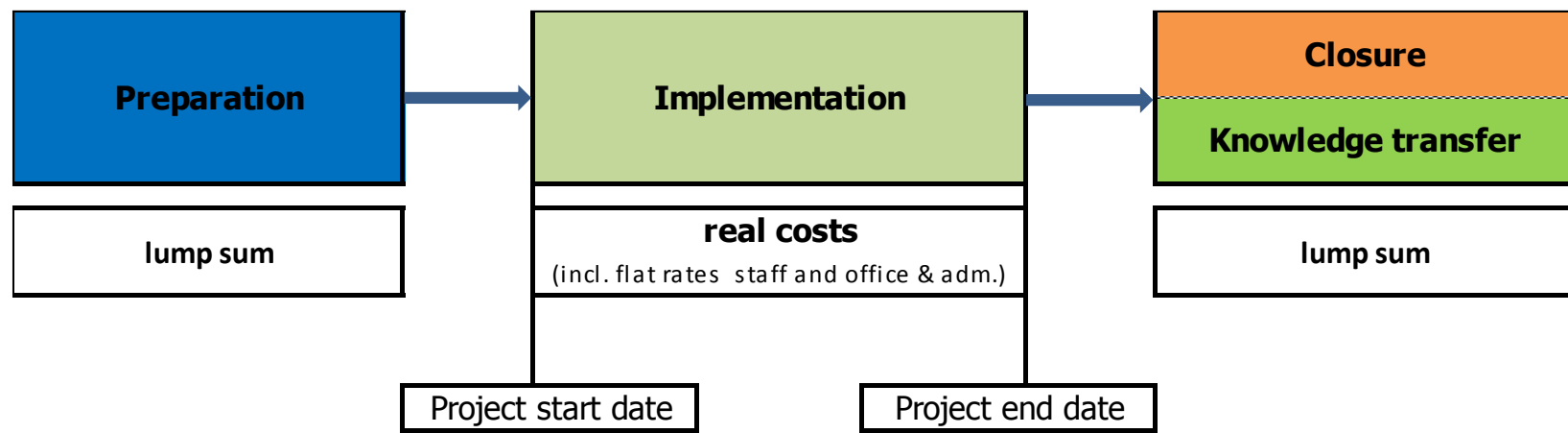
- Sound financial management
- Simplified rules
- Reduced administrative workload

Additionally:

- Projects must still comply with EU, national and organisation rules
- Expenses must relate to activities listed in the AF
- Costs in line with the principles of efficiency, economy and effectiveness
- Expenses invoiced between partners are not eligible
- Revenues generated by project activities must be reimbursed

# Eligibility rules - Eligibility period

## Eligibility period



- Lump sums:
  - Preparation: EUR 20 000 TEC (EUR 16 000 ERDF)
  - Closure & knowledge transfer: EUR 15 000 TEC (EUR 12 000 ERDF)
- Real costs:
  - Implementation

# Eligibility period - Budget lines



- Staff
  - Office and administration
  - Travel and accommodation
  - External expertise and services
  - Equipment
  - Infrastructure and construction works
- 
- For each budget line: definition, principles and audit trail are provided in the UIA guidance
  - Focus on definition and principles in the current presentation



# Budget lines - Staff



***Gross employment costs of persons employed directly by the partner organisation and working full or part time on the project in line with their respective employment contracts***

2 options:

- Real costs
  - 20% flat rate of all direct costs but staff
- 
- Only one option per partner organization for the whole duration of the project
  - Option selected in the application form





# (1) Staff – real costs



## Calculation

$$\begin{array}{c}
 \textbf{Gross employment costs} \\
 \text{(incl. other costs linked to salary such as pension, health...)} \\
 \times \\
 \textbf{\% of time worked on the project}
 \end{array}$$

- Calculated per staff member
- Based on costs actually paid out (no unpaid voluntary work)
- % of time based on written assignment of the employer (no timesheets!)
  - Description of main tasks and outputs related to project activities
  - Duration of the assignment



## (2) Staff – flat rate



### Calculation

$$\begin{array}{c}
 20\% \\
 \times \\
 \text{Partner's direct costs} \\
 \text{(other than staff costs)}
 \end{array}$$

- Direct costs based on:
  - Travel and accommodation
  - External expertise and services costs
  - Equipment
  - Infrastructure and construction works
- Relevant for partners with low staff budget
- No audit trail



# Office and administration



*It covers the operating and administrative expenses of partners and includes: office rent, utilities, office supplies, general accounting, archives, maintenance, repair and cleaning, security, IT systems of general nature, communication, bank charges*

## Calculation

$$\begin{array}{c}
 15\% \\
 \times \\
 \text{Partner' staff costs}
 \end{array}$$

- The list is exhaustive
- Listed items cannot be claimed under any other budget line
- No audit trail



# Travel and accommodation



***T&A costs of partners' employees that relate to project activities. It includes: travel (e.g. tickets, travel and car insurance, fuel, car mileage, toll and parking fees), meals, accommodation, visa and daily allowances***

- Choice led by effectiveness, cost-efficiency and eco-friendliness
- Public transport has priority over private or company cars and taxis
- T&A costs of external experts and service providers are eligible under external expertise and services
- Travel and accommodation outside of the European Union are only eligible, if they have been included in the approved application form or approved beforehand
- Invitation, agenda, proof of participation... are necessary



# External expertise and services



***Expenses related to professional services and expertise provided by external service providers contracted to carry out certain activities linked to the delivery of the project. They include: study, training, translation, promotion, event, consultancy...***

- Importance of the procurement process
- Costs related to UIA Experts and auditors are covered by the UIA Initiative and should not be budgeted
- Contracts between partners are ineligible



# Equipment



***Equipment purchased, rented or leased by a partner, other than those covered by the office and administration budget line. It includes: office equipment, IT hardware and software, furniture, laboratory equipment, machines and instruments, tools or devices...***

**Distinction is made between:**

- **Equipment necessary for the project implementation**
    - Depreciation value
  - **Equipment considered as (part of) a project investment**
    - Full costs
- 
- Importance of the procurement process
  - Must not be covered by office and administration
  - Second hand equipment eligible if not originally acquired with EU funds
  - Equipment purchased, rented or leased from another partner are not eligible
  - Site preparation, delivery or installation of the equipment are eligible



# Infrastructure and construction works



***Costs related to investments in infrastructure that do not fall into the scope of other budget lines. This includes: purchase/provision of land, purchase/provision of real estate, site preparation, delivery, handling, installation, renovation...***

- Importance of the procurement process
- Must be included in investments (WP investment)
- Feasibility studies, environmental impact assessment and planning permission may be necessary



# Ineligible expenditure



- *VAT unless it is genuinely and definitely borne by the project partner*
- *Interests on debts*
- *Exchange rate losses*
- *National banking charges*
- *Fines, financial penalties and expenditure on legal disputes and litigation*
- *Unpaid voluntary work*
- *Any costs incurred before the project start date and after the project end date as these project phases are covered by lump sums*
- *Communication material that is not in line with the UIA rules on communication*
- *Gifts (except promotional giveaways)*
- *Tips*
- *Fees between partners of the same project for services, supplies and work carried out within the project*
- *Costs related to the contracting of employees of the partner organisations as external experts (e.g. as freelancers)*

➤ non-exhaustive list





# Other points of interest

- **Archiving: at least 4 years after final ERDF payment**
- **Use of the EURO**
  - All financial budgeting, reporting and project follow-up is in euro
  - exchange rate of the Commission applicable in the month the documents are submitted for verification to the auditor
- **Contribution in kind: allowed except for unpaid voluntary work**
- **Budget flexibility**
  - 20% per budget line
  - Overall granted ERDF cannot be exceeded
- **State aid**
  - Undertaking and economic activities, selectivity, transfer of state resources, advantage, effect on competition and trade
  - GBER, de minimis, modification of activities

# Next steps



- 20/01/2016 – Applicant Seminar in Riga (LV)
- 26/01/2016 – Applicant Seminar in Rome (IT)
- 03/02/2016 – Applicant Seminar in Krakow (PL)
- 31/03/2016 – Deadline submission of Application Forms
- 10/2016 – Indicative date approval of projects





# Questions & Answers





## For more information:

- UIA website: [www.uia-initiative.eu](http://www.uia-initiative.eu)
- Email: [info@uia-initiative.eu](mailto:info@uia-initiative.eu)
- Main documents:
  - Terms of Reference 1st Call for Proposals
  - UIA Guidance
  - Application Form Working Document





**Thank you for your attendance!**

