



Inspire Improve Impact

External Funding opportunities to support low carbon technologies

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Presentation Aims



To provide an overview of:

- What is meant by “external funding”
- Principle funding opportunities that support the development, demonstration and investment in low carbon technologies
- Recommendations to optimise the use of external support



Introduction to External Funding

The term 'External Funds' encompasses a range of incentives;

- **Grants**
 - **Soft Loans**
 - **Tax Incentives**
 - **Awards**
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- Awarded by Government Bodies or Foundations
 - Administered at regional, national or European levels.

Used to address:

- 1. key policy issues,
- 2. to stimulate first movers
- 3. create industry leadership

External Funding – the benefits



The grantee can benefit from:-

- Competitive cost advantage over others in the same sector
- Increased project leverage and stimulation of further projects
- Increased external awareness through use as a promotional tool
- Heightened company image – as the grantor body approval can appear as a quality award
- Increased knowledge transfer and collaborative relationship with external parties



Example funding opportunities for low carbon technologies



Capital Investment



1. Grants for Business Investment

Capital investment in one of the UK assisted areas that will lead to a regional increase in productivity, skills and employment .

Key criteria;

- Need for Safeguarding creation of jobs
- Assisted Area (<http://stats.berr.gov.uk/regional-aa/aa2007.asp>)
- Need for support
- Application submitted prior to commitment

Maximum level of grant available ranges from 10%-35% of the total project cost depending on location and company size

Capital Investment



2. Grant for Improving Your Resource Efficiency

- Support for capital investment on behalf of SME's where the project will contribute to reducing Co2 emissions
- Max level of grant available is 50% of the total project cost up to a maximum of €200,000

3. Capital investment in Energy efficient equipment

Up-front tax relief for businesses that invest in certified plant and machinery

Research and Development



1. Grants for R&D Programme

- Support SMEs to carry out R&D work that will lead to technologically innovative products or processes.
- Funding available up to £500,000 (between 35- 60% funding).
- Projects typically 6-36 months in duration
- Different levels of research supported from critical investigation through to Pre-production prototype development.
- Open bottom up programme – Low carbon a key priority

Research and Development



2. National Funding: Collaborative R&D (TSB)

To promote the strategic partnership between industry and Research communities in key areas of science, engineering and technology.

Key themes include: Advanced manufacturing, Low carbon technologies, advanced materials, sustainable buildings, materials and products

Funding: Between 25 – 75%

Key Criteria

- Alignment to the theme
- The strength of the consortium and value added by the partners. Typically a minimum of 3 partners
- Technological Innovation: Significant advancement upon existing state of the art technologies.

Research and Development



3. The Energy Technologies Institute (ETI)

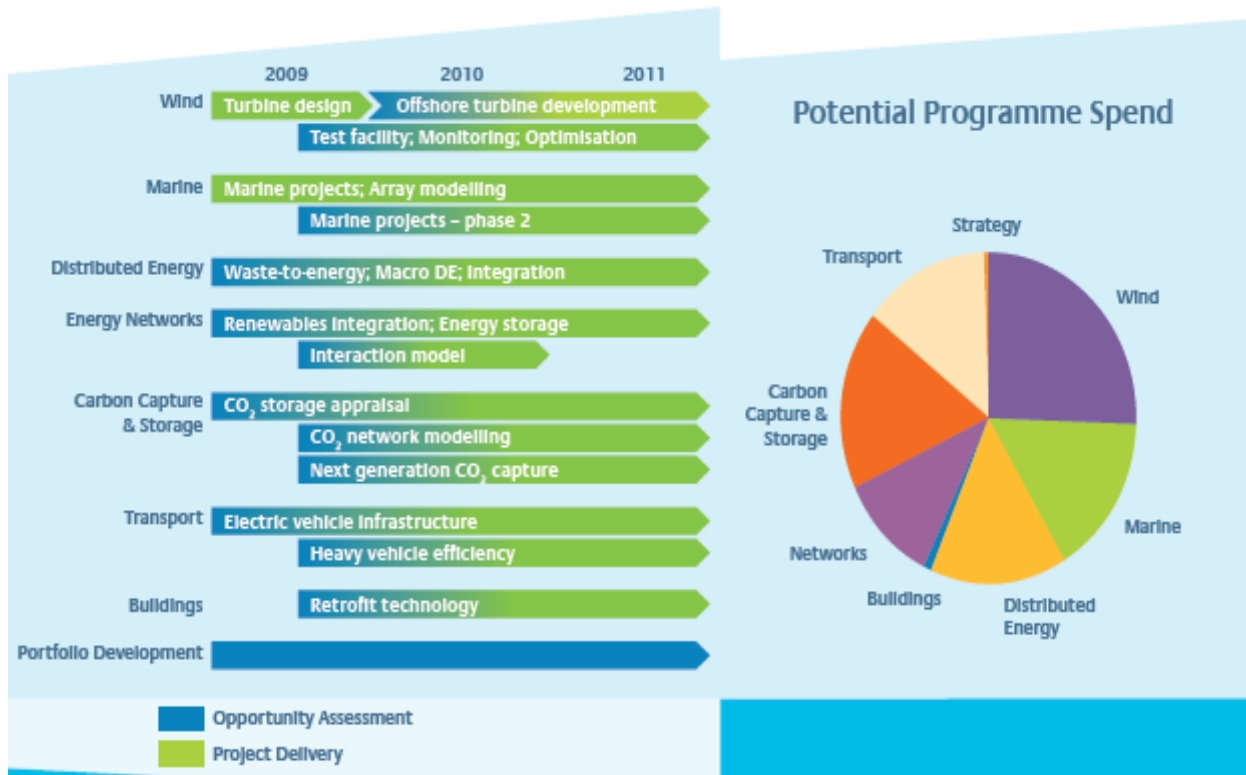
ETI aims to accelerate the development and deployment of low-carbon technologies to meet the UK's energy targets bridging the gap between laboratory proven technologies and full scale commercially tested systems

The ETI aims to fund a relatively small number of large-scale projects in the £5million to £25million range

Thematic based calls



ETI Technology Strategy



Research and Development



4. Carbon Trust Low Carbon Technology Programme

- Research, and feasibility studies that contribute towards the delivery of a low carbon economy.
- Scheme is open to any UK business, university, public sector or voluntary organisation,
- Collaborative projects involving technology providers and end-users being particularly encouraged.
- Funding is available up to £500,000, up the value of 60% of project costs
- Typically 3 calls per year

Research Training



5. Knowledge Transfer Partnerships

Funding is available to support the employment of a post-graduate student on an innovative R&D project within an organisation.

Benefit from university facilities, IP and technology as well as receive 66% of the R&D projects costs funded

Research and Development



6. Framework Programme 7 (2007 – 2013)

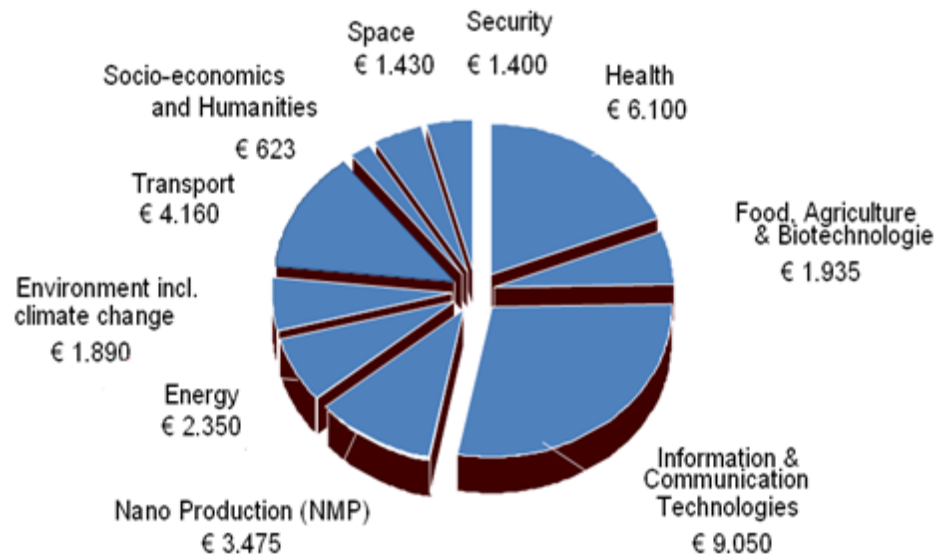
- EU's primary funding mechanism for collaborative R&D projects in science, technology and engineering.
- Supports collaborative and trans-national activities
- Contributions normally fall within the range of 50 – 100% of the eligible cost. Typically min €500K to €12M
- Open to all Scientific domains but must be relevant to proposing enterprise and highly innovative
- Clear themes – the four pillars: Cooperation – Ideas – People – Capacities
- Against specific call deadlines

Framework Program 7

FP 7 sub programmes

1. **Cooperation** (collaborative research € 32.3 billion)
2. **People** (Marie Curie € 4,7 billion)
3. **Capacity** (research capacity € 4,2 billion)
4. **Ideas** (frontier research € 7,5 billion)

Budget breakdown of Cooperation sub programme



Demonstration



1. LIFE + (Policy and Governance) Support projects that demonstrate new solutions for important environmental issues Annual Calls. Between 30-50% funding

2. ECO Innovation Supports innovative products, services and technologies that can make a better use of our natural resources and reduce EU's ecological footprint.

- Funding 50% of eligible costs
- Maximum of 3 years project duration
- There is funding for around 40 projects

Recommendations: Approach to grants



1. Use Strategically
2. Think ahead
3. Need for funding
4. Potential for relationship development
5. Typically required innovation
6. Think creatively – find the grantable angle
7. Consider grantor objectives

Recommendations: Grant Process



Identification: "Follow the money", "Follow the project" - Think creatively

Timetable: Always look ahead

Application: Avoid writing about the project, take into account grantors aims and guidelines

Timetable: Allow a minimum of 10 - 15 working days

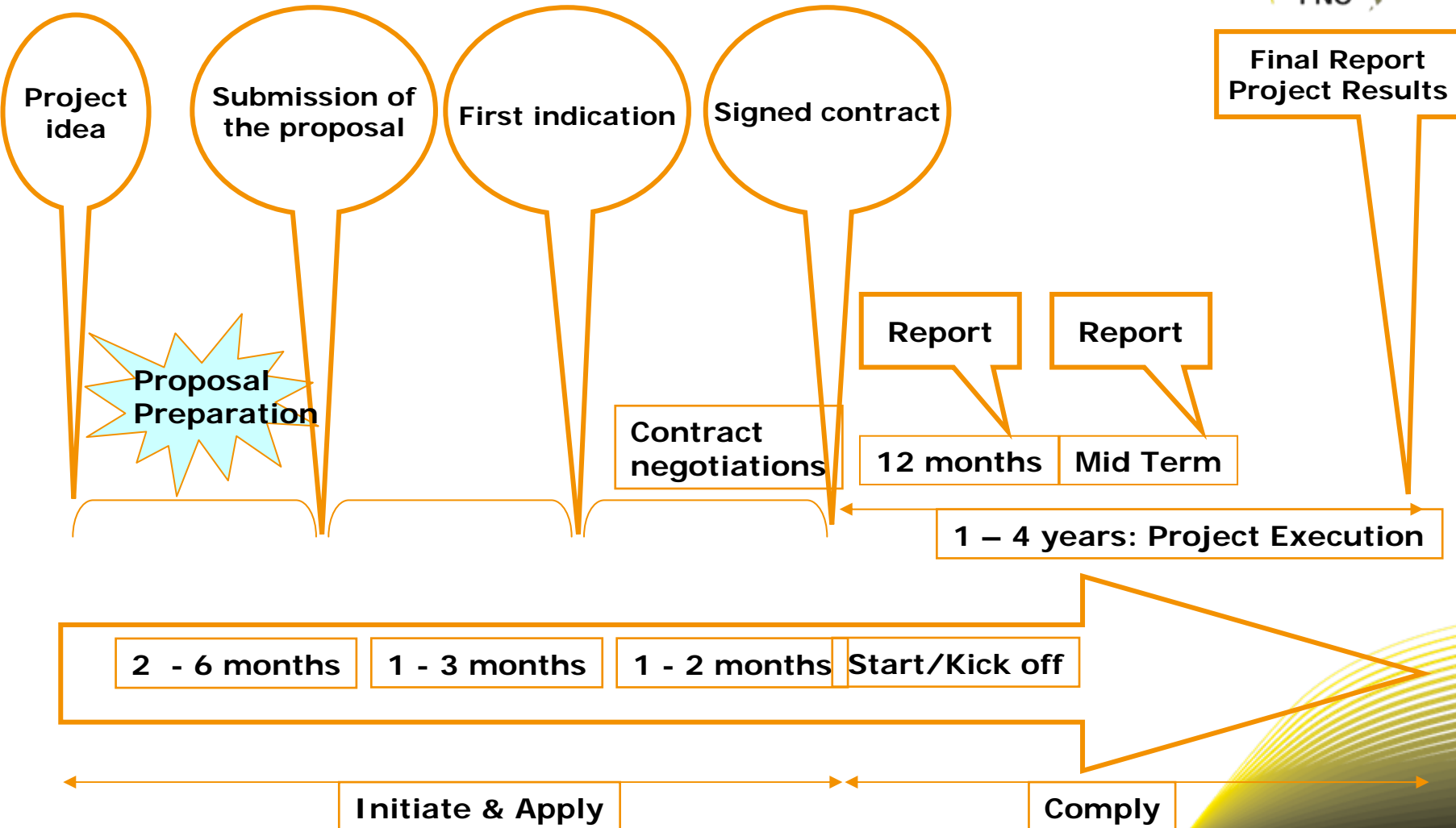
Assessment: Sometimes need to re-present the project, always consider value for money

Timetable: Allow a minimum of 40 working days (& do not start the project!)

Compliance: Timely delivery of reports, keep records of expenditure (as grants paid retrospectively)



Example Grant Timeline



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