



Rialtas na hÉireann
Government of Ireland

Circular Economy Innovation Grants Scheme

Scheme documents and guide for
applicants

2021



Prepared by the Department of
the Environment, Climate & Communications
gov.ie

Table of Contents

Table of Contents.....	i
1 Introduction	1
2 Circular Economy Innovation Grants Scheme (CEIGS) : Call for Proposals.....	3
3 How to Apply.....	7
4 Reporting Requirements	11
5 Grant Aid and Eligibility	11
APPENDIX 1: Monitoring of De Minimis Aid.....	13

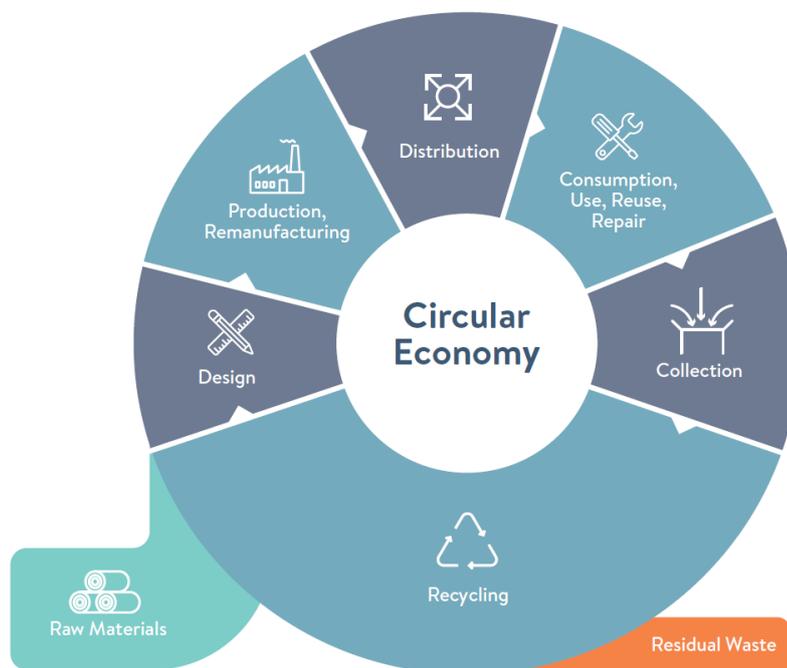
1 Introduction

The Circular Economy Innovation Grants Scheme (CEIGS) is a Government of Ireland initiative led by the Department of the Environment, Climate and Communications (DECC).

This is a new grant scheme administered directly by DECC. It is separate from and additional to the EPA's Green Enterprise Innovation for Circular Economy Scheme which will launch its call for 2021 applications shortly.

The purpose of this proposed grants scheme is to provide support to projects which work in the Circular Economy space with the aim of both advancing the Circular Economy in Ireland and raising awareness of the need to transition to the Circular Economy. Supported projects should in principle be replicable by others, of at least demonstration scale, raise awareness of the circular economy and/or have a significant impact on material or waste streams. While the CEIGS is not limited to social enterprises and voluntary and community based organisations DECC is particularly interested in submissions from organisations of these types.

1.1 Circular Economy



Source: National Waste Prevention Programme

In a **circular economy**, waste and resource use are minimised; the value of products and materials is maintained for as long as possible through good design, durability and repair;

and when a product has reached the end of its life, its parts are used again and again to create further useful products.

A circular economy will deliver a competitive and resilient domestic economy where Ireland is less reliant on the importation of raw material, is moving to sustainable materials management and a low carbon economy. Recycling is crucial to the security of raw material supply especially those raw materials that are considered critical to the functioning and competitiveness of the Irish & European economy. The circular economy clearly goes beyond resource efficiency and recycling and provides the framework to develop new business models aimed at increasing the value, use and life of materials, products and assets and designing out waste from production and consumption.

Meeting climate targets requires a transformation in the way we produce and use goods. Climate action efforts focusing on a transition away from fossil fuels and energy efficiency measures can only address 55% of emissions. The remaining 45% comes from making things. Therefore, making less or making with fewer resources - the essence of the circular economy - has a key role to play in climate action.

In Ireland the new Waste Action Plan for a Circular Economy identifies opportunities for the application of circular economy principles across a wide range of areas. Ireland's goal is to have a circular economy that reduces our carbon impact and protects our natural resources, environment and health. Such a circular economy also supports viable and sustainable enterprise opportunities, jobs and training. There is great potential for job creation in innovative new fields while simultaneously reducing our carbon footprint.

There is clearly a knowledge and awareness deficit when it comes to the circular economy among both business and the general public. The work of Irish Manufacturing Research and the DECC funded Circuléire project is bringing the circular economy message to manufacturers, but there is also a need to engage with the population at large. Accordingly, the CEIGS is aimed at social enterprises, voluntary and community organisations and small/medium businesses. As well as raising awareness the CEIGS will also have other benefits. It will create and assist circular economy projects and enterprises, thus growing the sector and providing demonstrable examples to others of good practice.

1.2 Features of a Circular Economy

The circular economy in sustainable production, business and consumption models incorporates the following features:

- Eco-design, manufacture and use of products that are resource-efficient, durable, repairable, re-usable and upgradable.
- Reduces waste generation and the presence of hazardous substances in materials and products.
- Encourages remanufacturing, refurbishment and repurposing of products.
- Maximises preparing for re-use, valorisation of residuals, industrial symbiosis and recycling.
- Maximises the recovery of EU list of 27 critical raw materials and alleviates reliance on imports.
- Encourages repair and reuse of products / materials.
- Encourages new business models to optimise capacity utilisation and extend useful life of products and assets such as sharing / leasing platforms and take back services (product to service models).
- Encourages ICT tools to extend the life of products and assets.
- Ensures waste is valued and closes the loop.

2 Circular Economy Innovation Grants Scheme (CEIGS) : Call for Proposals

2.1 Call for proposals

This grants scheme aims to support innovation and demonstration circular economy projects by social enterprises, voluntary and community organisations and small/medium businesses (defined here as those with less than 50 employees). This fund is not aimed at large scale businesses and the maximum year 1 grant available will be €50,000.

The projects funded shall incorporate at least one of the features of the circular economy described in section 1.2. Projects should be at least demonstration scale with a clear vision for full-scale implementation and/or for sharing findings across collaborative clusters.

The total CEIGS is €250,000 for the 2021 call. The grant aid available is based on the applicant. The maximum funding available is **€50,000 per applicant**, subject to compliance with State Aid *De Minimis* rules. The indicative funding range for projects is €10,000 - €50,000.

It is proposed to fund a small number of larger scale projects rather than a large number of small projects. Accordingly, very small scale projects (below €5,000 in cost) should look to the Community Environment Action Fund/Local Agenda 21 for funding rather than seek funding from the CEIGS.

Funding is provided by the Irish Government through the Department of the Environment, Climate and Communications (DECC). The fund is administered by DECC.

2.2 Thematic areas

Applicants may wish to refer to the following thematic areas which relate to priorities for the circular economy in Ireland: **plastics, construction & demolition waste, food waste and resources & raw materials (electrical and electronic equipment, textiles, furniture¹)**.

The potential proposal areas listed below are included for illustrative purposes only, as examples of the types of objectives which the CEIGS is intended to support. Applications do not need to be limited to these proposal areas.

Plastics waste prevention

Every year, Europeans generate 25 million tonnes of plastic waste, but less than 30% is collected for recycling. Plastic waste prevention and increasing the recyclability of plastic products are central to the EU's Circular Economy Action Plans. An EU Plastics Strategy was published in January 2018, which aims to protect the environment from plastic pollution while fostering growth and innovation. The latest EU Green Deal Circular Action Plan (March 2020) will look at phasing out single-use plastic products wherever possible and replacing them with durable products for multiple use; and acting on microplastics to restrict their use. Much of the plastic packaging consumed cannot be recycled or is at least difficult to recycle, e.g. products made of composite materials. For these reasons, we need to transform the way products are designed, produced, used, and recycled.

Potential proposal areas:

- Redesign of products or packaging to replace non-recyclable plastic with recyclable plastic or replace virgin plastic with recyclable plastic.
- Redesign of products for ease of recycling at end-of-life.
- Prevention of plastic waste during production processes.
- Elimination of hazardous chemicals from plastic products.

¹ Priority areas under Circular Economy.

- Reuse/leasing business models for plastic products, reducing the need for plastic packaging and single use products.
- Elimination/capture of microplastics during production or waste management lifecycles.

Construction & demolition waste prevention

Construction and Demolition (C&D) waste is the largest waste stream by volume in the EU. There are opportunities for innovation in the C&D sector to meet Circular Economy ambitions – design for reuse, preventing waste at all stages of construction & demolition, reducing hazardous materials in construction products, shifting C&D waste up the waste hierarchy from recovery operations (backfilling) into recycling/end-of-waste.

The European Green Deal is Europe's new growth strategy. At the heart of it is the goal of becoming the world's first climate-neutral continent by 2050. This will involve reducing the carbon footprint of all sectors, including construction & demolition. The EU Green Deal's new industrial strategy recognises Europe also needs to address the sustainability of construction products and improve the energy efficiency and environmental performance of built assets. A more **sustainable built environment** will be essential for Europe's transition towards climate-neutrality.

Potential proposal areas:

- Circular construction products (products that can be reused or with increased lifespan)
- Selective/Green demolition to enable removal of hazardous materials and facilitate reuse and recycling.

Food waste prevention

As a leader in green food production, Ireland has the potential create and showcase new and innovative solutions to tackling food waste. Through preventing food waste, becoming more efficient in using what we have, and rescuing surplus food that cannot be prevented, Ireland can reduce the environmental impacts associated with food waste.

Food waste can arise for many reasons at a number of different points in the food supply chain. For example, at the early stages of agricultural production, crops may be grown which are never harvested, or they may be harvested but wasted due to damage or fluctuations in demand. Retailers may throw away out of date or imperfect stock, and restaurants may throw away food left on plates by their customers. Businesses may not be aware of the amount of the food waste they produce and may not see that there is a problem that needs

to be dealt with. Different businesses will have their own reasons for wasting food and have their own solutions for reducing it.

An example of food waste prevention would be implementing procedures or technology to identify the amounts and type of food being wasted within a business, or in the supply chain, with a view to reducing it.

Potential proposal areas:

- Promoting innovative waste prevention solutions across the food production and food processing sectors.
- Implementing technical and behavioural interventions to reduce food waste in commercial settings.
- Innovative solutions to gathering and sharing reliable and accurate food waste information to identify areas for improvement and to measure progress.

Resources and raw materials

Plastics waste, C&D waste and food waste have been a focus for the Commission under the Circular Economy due to the volume of waste involved and the environmental issues arising from their waste management. The Circular Economy however embraces all resources and raw materials and therefore the fund will have an open thematic area to reflect this. Of interest, are solutions relating to **electrical and electronic equipment, textiles and furniture** as these are specifically mentioned in the Waste Framework Directive 2018 (ref Article 9) and electrical and electronic equipment and textiles are highlighted as focus areas under the EU Green Deal Circular Economy Action Plan (March 2020).

Potential proposal areas:

- New business models for reuse.
- Opportunities for preparation for reuse.
- Reducing the content of hazardous substances in materials and products.
- Increase recovery of listed critical raw materials.

3 How to Apply

3.1 Registration and application

Applications must be made by completing the application form and submitting it to circulareconomy@decc.gov.ie by the deadline of 28th May 2021.

Queries in relation to the call should also be sent to: circulareconomy@decc.gov.ie

The deadline for queries is 21st May 2021.

Where applicable, before submission your proposal must be authorised by the relevant person in your company/organisation (i.e. Managing Director, Financial Controller etc.). Authorisation **MUST** be done before submission.

3.2 Evaluation

Applications will be scored based on the following criteria:

Table 1 – Evaluation criteria

Criteria	Marks
Technical quality: objectives, impact, value for money	30%
Relevance to the call topic areas and to the principles of the WAPCE	20%
Scalability for widespread implementation and/or transferability potential across sectors	20%
Project management capability of the team	20%
NGO/Voluntary/Community/Social Enterprise Bonus	10%

Proposals must attain a minimum of 40% of the maximum score for each of the first four criteria above.

3.3 Indicative timeframe

An indicative timeframe for this call is shown below.

15 th April 2021	Announcement of funding opportunity via website, press release, social media etc.
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21 st May 2021	Deadline for queries
28 th May 2021	Deadline for submission of applications
30 th June 2021 30 th June 2021	Evaluation process completed, applicants notified. Applicants may need to be available to discuss project costings.
1 st September 2021	Successful projects grant-awarded

All projects selected for funding should normally be completed within 12-24 months. Projects must be completed within 36 months. If your project is expected to last longer than 12 months you must set out your annual funding requirement.

3.4 Costs

CEIGS funding is intended to support up to 100% of eligible project costs. Eligible and non-eligible costs are set out below in Section 5.2 below.

3.5 Payment schedule

Following the approval and acceptance of the grant agreement, an advance payment of **up to 50%** of the total grant-aid may be made. All subsequent payments will be made on a reimbursement basis following the submission and certification of financial cost statements and approval of technical progress reports.

A sum of up to 15% of grant aid may be retained, in all cases, pending satisfactory completion of the project. A project will be deemed to be completed satisfactorily, following the certification of the final cost statement, the submission of suitable publicity material and the approval of the final technical report for the project.

3.6 Tax certificates and insurance

Successful applicants will be required **prior to grant award** to provide a valid in date tax clearance certificate in accordance with Department of Finance regulations.

Successful applicants will also be required to provide valid copies of Public and Employer's Liability insurance and where relevant Professional Indemnity insurance prior to awarding of grants.

Successful applicants will be expected to use Green Public Procurement principles in sourcing goods and materials where possible. Successful applicants will also be **required** to

comply with the general rules on public procurement including the use of e-tenders where applicable.

3.7 Gender mainstreaming

In line with government policy, the principles of gender mainstreaming apply. To this end, participants will be required to report the ratio of males and females working on the project and to encourage females to take a lead role in projects where possible.

3.8 Freedom of Information (FOI)

Information supplied to DECC may be disclosed in response to a request under the Freedom of Information Act, 1997 and Freedom of Information (Amendment) Act, 2003. Should you wish that any of the information supplied by you in this application should not be disclosed because of its sensitivity, you should, when providing that information, identify the same and specify the reasons for its sensitivity. DECC will consult with applicants about this information before making a decision on any Freedom of Information request received.

3.9 Data protection

Personal information supplied will be stored in electronic and structured manual data formats e.g., hard copy folder or database, for use only in connection with this application and the administration of the grants scheme and publication of results. The provisions of Data Protection Legislation shall be complied with by DECC and the Grantees with respect to the processing of personal data.

Data Protection Legislation shall mean the Data Protection Acts 1988 to 2018 and Directive 95/46/EC, any other applicable law or regulation relating to the processing of personal data and privacy (including the E-Privacy Directive and the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, as such legislation shall be amended, revised or replaced from time to time, including by operation of the EU General Data Protection Regulation (2016/679) (GDPR) (and laws implementing or supplementing the GDPR and/or the E-Privacy Regulations).

3.10 Publicity requirements

Publicising the results and achievements of the projects supported by the CEIGS is a key element of the programme. The purpose of this publicity is to encourage others to adopt circular economy practices. Successful company/organisations will be required to provide publicity information including photographs and technical data on the project, to participate in

publicity events or, possibly host site visits. A portion of the budget should be reserved for this purpose. It should be noted that even if the project is not as successful as originally anticipated, there is still a publicity requirement as the lessons learned should be shared with others interested in future similar projects.

The level of information to be provided should include a good description of the project. Specific aspects of the project, identified as commercially sensitive, will be respected when producing publicity material.

4 Reporting Requirements

Financial Reports (Cost Statements) and Technical Progress Reports should be submitted during the lifetime of the project, or as requested by DECC.

It is the responsibility of the principal investigator/programme manager to ensure that reports are submitted on time and that they are of a satisfactory standard that clearly details progress on the project. Any difficulties arising should also be reported as well as the actions planned to overcome these difficulties.

The Final Report must be submitted in 2 formats. A 2-page Case Study format, and a longer Final Report format. This will be between 8 and 15 pages long, with appendices as required. The templates will be made available in due course. Projects will not be signed off until both reports are completed to the satisfaction of DECC.

5 Grant Aid and Eligibility

Applicants should familiarise themselves with the project management and interim reporting requirements. All successful applicants will have to sign a grant agreement which will set out further requirements in terms of grantee financial responsibilities and compliance with the Public Spending Code.

5.1 Grant amount

The maximum Year 1 funding available is **€50,000 per company/organisation** and this is subject to compliance with State Aid De Minimis Rules. All successful applicants will be required to provide written confirmation (in the format as per Appendix below) that the rules in regard to De Minimis have been observed. The Declaration of De Minimis Aid should be SIGNED and submitted as part of the application process.

5.2 Eligible & non-eligible costs

Financial reporting is on the basis of the total costs of the project, so grant aid will be provided based on the full eligible costs.

Eligible costs are the costs defined as **direct** or **indirect costs** as detailed below. They shall fulfil the following conditions:

- Be actual,
- Relate to expenditure on the project,
- Be reasonable and wholly necessary for the project,

- Be incurred and paid during the duration of the funded project (as set out in the grant agreement),
- Be incurred solely to advance the project or if any single item shall benefit both the project and other work then such costs shall be eligible only in the proportion that such costs bear to the proportionate benefit derived from them by the DECC funded project,
- Be determined in accordance with the normal accounting principles, based on historic costs and the usual internal rules of the Grantee, provided that they are regarded as being acceptable by DECC,
- Be recorded in the Grantees accounts and be separately identifiable and traceable,
- Exclude any profit (e.g. staff costs must be charged at actual salary rates and not charge-out rates),
- Where the company/organisation is VAT registered, costs should be shown at the VAT exclusive cost.

Non-eligible costs are in particular the following:

- any interest, or return on capital employed,
- provisions for possible future losses or charges (including social costs),
- interest owed, provisions for doubtful debts,
- resources made available to a Grantee free of charge,
- unnecessary or ill-considered expenses,
- marketing, sales and distribution costs for products & services,
- entertainment or hospitality expenses except such reasonable expenses accepted as wholly and exclusively necessary for carrying out the work under the Agreement,
- company/organisation bonuses and dividends.

APPENDIX 1: Monitoring of De Minimis Aid

Article 3 (1) of the De Minimis Regulation (EC) No 1998 /2006 states that where a Member State grants De Minimis aid to an enterprise it shall inform the enterprise about the De Minimis character of the aid and obtain from the enterprise concerned full information about other De Minimis aid received during the previous three years. It is recommended that the Department/ Agency concerned should include the following text in their correspondence with applicants for De Minimis aid:

The aid being sought is provided under the European Commission Regulation on De Minimis Aid. Small amounts of State aid, up to €200,000 (as and from 1 January 2007) in any three-year period to any one enterprise, are regarded as too small to significantly affect trade or competition in the common market. Such amounts are regarded as falling outside the category of State aid that is banned by the EC Treaty and can be awarded without notification to or clearance by the European Commission. A Member State is required to have a mechanism to track such aid (called 'De Minimis aid') and to ensure that the combined amount of De Minimis aid payments from all sources to one enterprise in any three-year period respects the €200,000 ceiling. Please provide details of all other De Minimis aid which has been granted to your company/organisation within the past three years. It should be noted that a false declaration by a company/organisation resulting in the threshold of €200,000 being exceeded could later give rise to the aid being recovered with interest.

The applicant should sign and submit the following declaration as part of the application:

I wish to apply for [insert name of grant/aid sought] under the De Minimis Regulation (EC) No 1998 /2006.

I confirm that:

the company/organisation has been granted only the following De Minimis aid within the past three years (details to be supplied)

Signed for Company/organisation:

Date:

or...

no De Minimis aid has been granted to the company/organisation within the past three years

Signed for Company/organisation:

Date: