

Schuman Associates

EU Sector Seminar on Sustainable Energy

Insights on EU External Aid Funding

21 November 2017



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Introducing Schuman Associates



Clients and Sectors

 <p>GOVERNMENTS AND INSTITUTIONS</p>	 <p>ICT</p>	 <p>METALS and RAW MATERIALS</p>	 <p>CHEMICALS</p>	 <p>ENERGY / INDUSTRY</p>	 <p>FINANCIAL SERVICES</p>	 <p>EMPLOYMENT AND SKILLS</p>	 <p>HEALTH CARE</p>
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Our Services

EU & IFI FUNDING



H2020 & GRANTS



PUBLIC AFFAIRS



CORPORATE COMMUNICATIONS



ASSOCIATION MANAGEMENT



TAILORED TRAININGS



Content

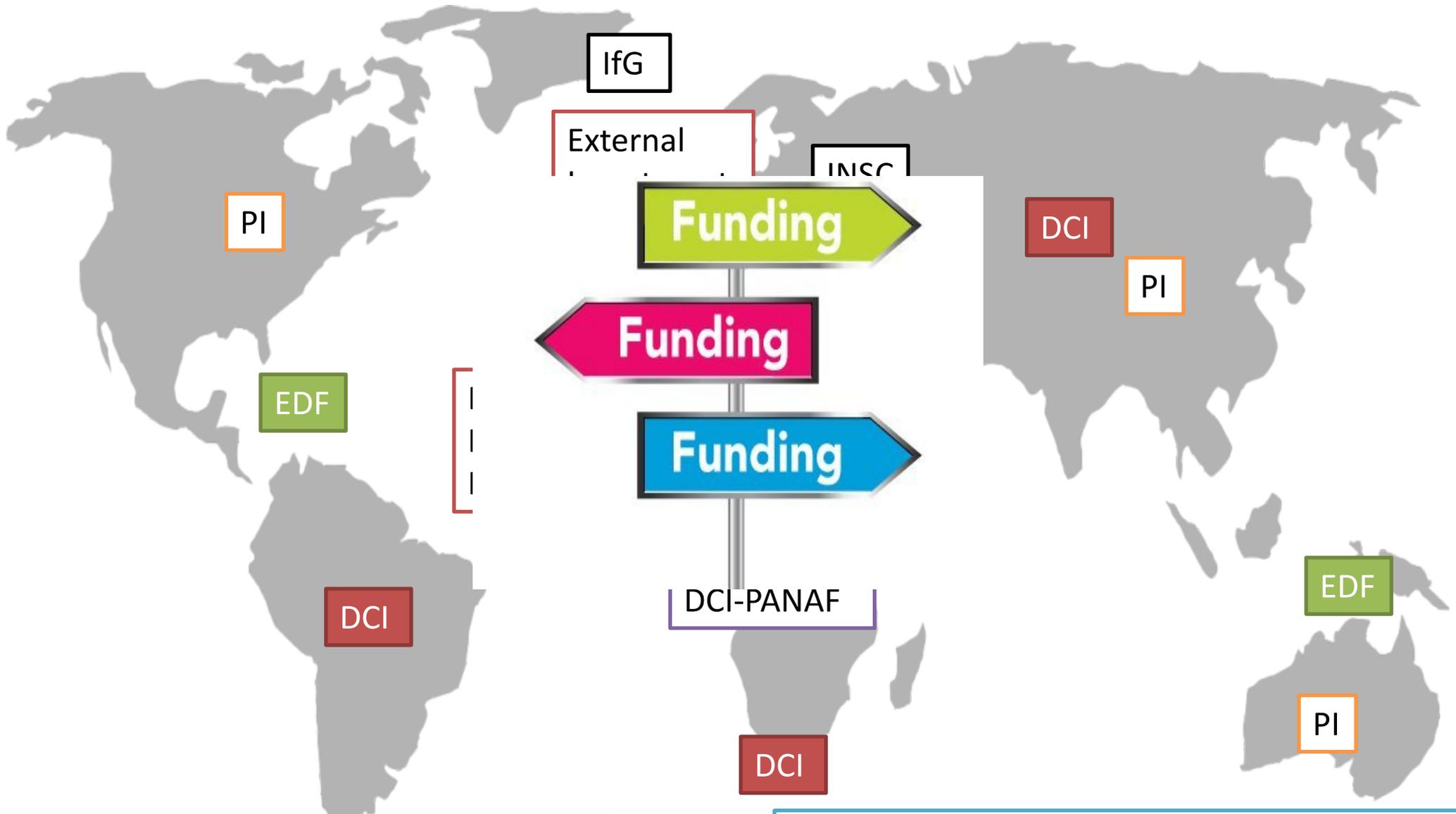
1. The EU as a global actor
2. EU External Aid funding instruments
3. Blending facilities
4. Implementation modalities of EU External Aid funds
5. The project cycle
6. The tendering procedure



1. The EU as a global actor

- EU is the largest donor in the world with an overall budget for External Aid of 80 BEUR for the period 2014-2020.
- Hard currency, with EU aid being disbursed in the form of **non-refundable grant aid**, which sets it apart from most other multi-lateral donors.
- **Development policy** instruments and funding translate into concrete projects and opportunities for business.
- **Political leverage**: Policy dialogue to improve framework conditions for doing business.
- **Financial leverage**: Increased use of financial instruments, such as blending: making transformative and enabling investments possible.
- **Global presence**: EU Delegations key actors on the ground: projects, policy dialogue, dialogue with business.
- **Momentum and shift in development paradigm**: launch of new External Investment Plan, increased role of private sector investment and multi-donor support.

2. EU External Aid funding instruments



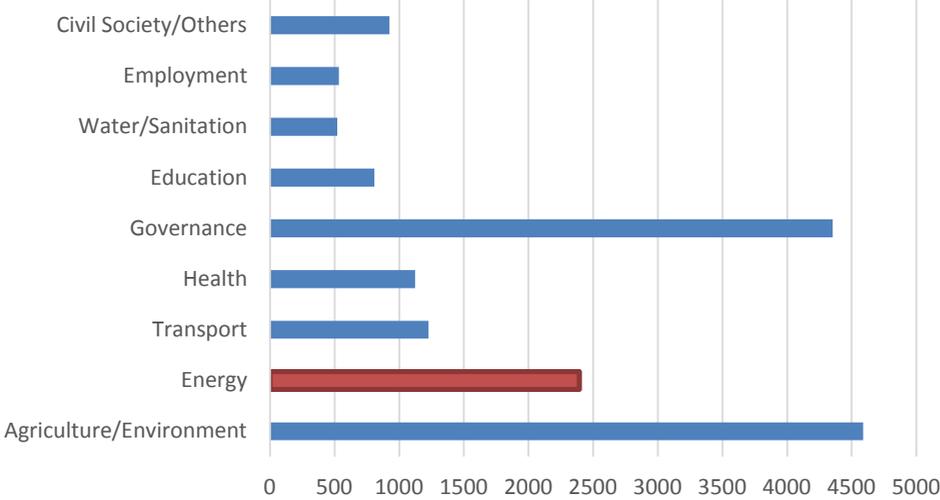
DCI-Civil Society/Local Authorities
DCI- Global Public Good & Challenges

value for our client

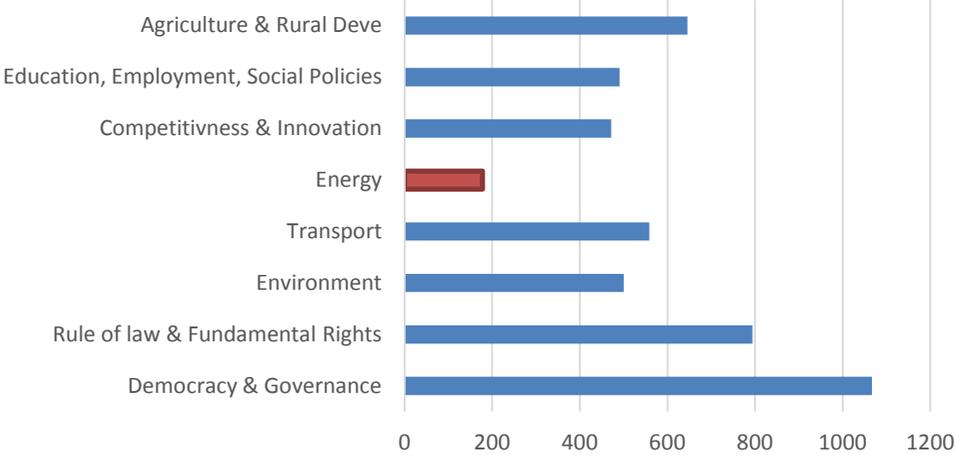
European Instrument for Human Rights
Instrument contributing to Stability & Peace

2. EU External Aid funding instruments – ENERGY focus

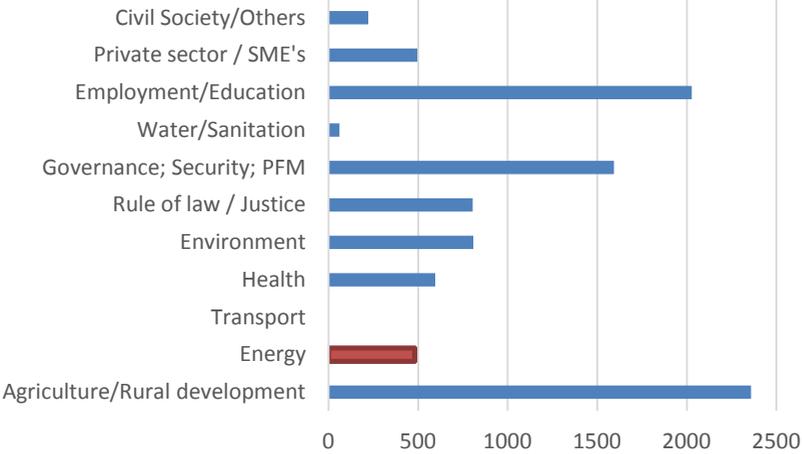
11 EDF 2014-2020 Sectors allocations in MEUR



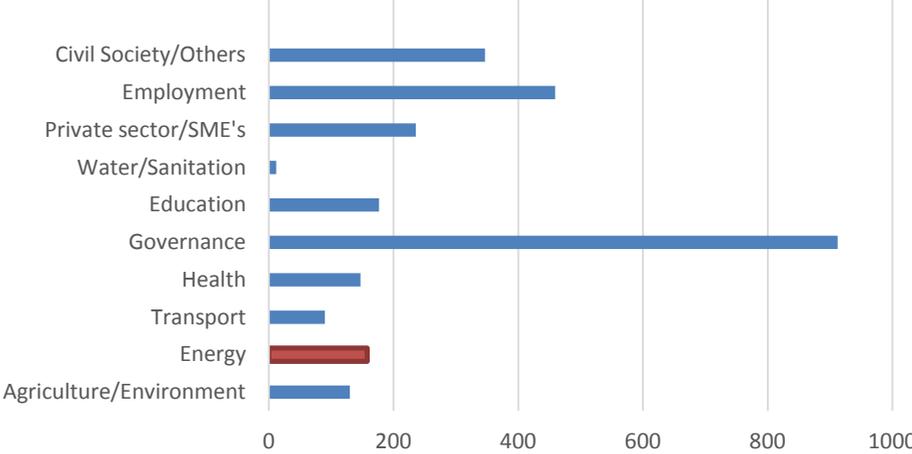
IPA Sector Allocations 2014-2017 in MEUR



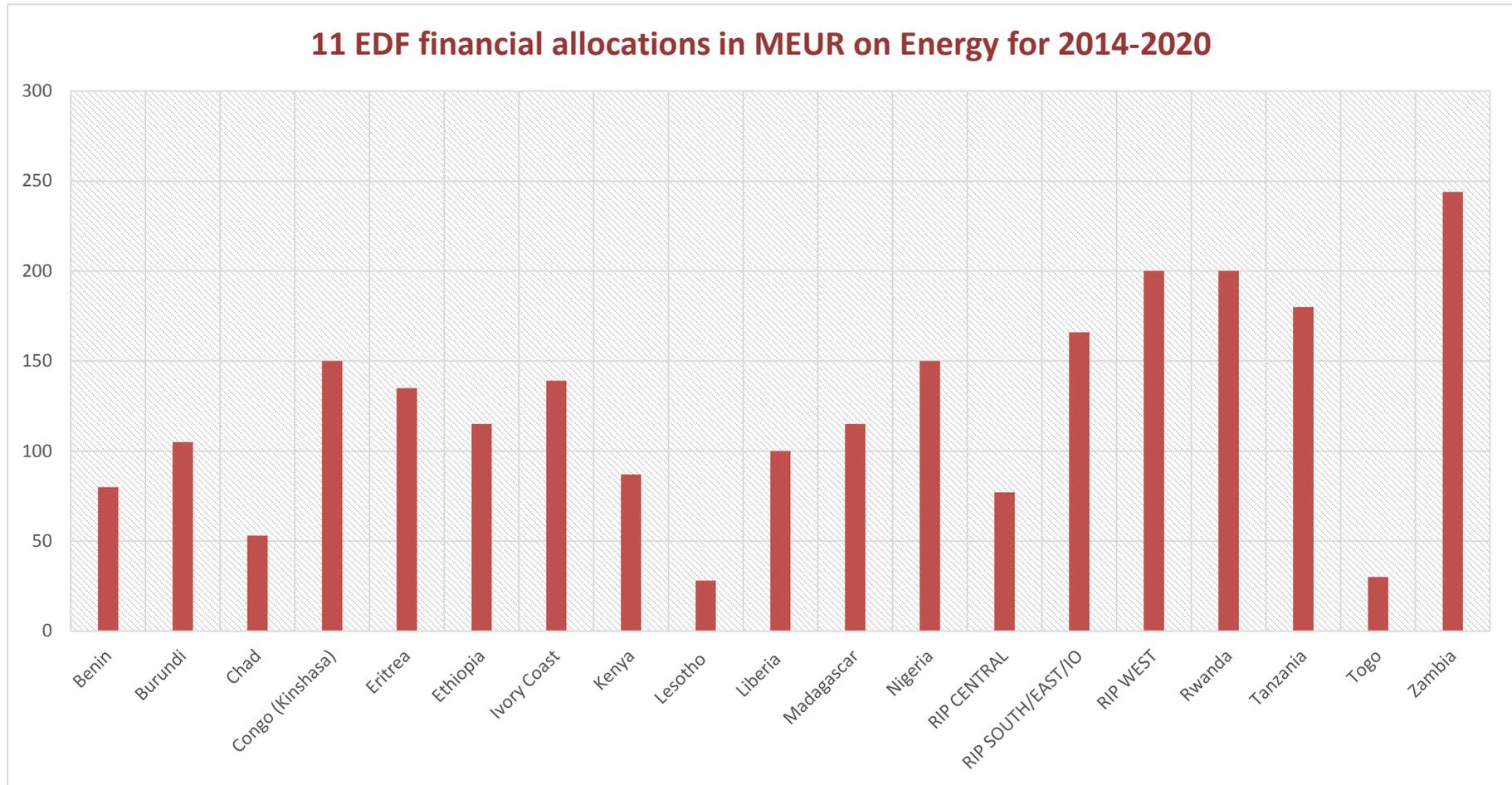
DCI Geographic 2014-2020 in MEUR



ENI Sector Allocations 2014-2017



2. EU External Aid funding instruments – ENERGY focus in AFRICA



3. EU Blending facilities

- **Blending is the combination of EU grants with loans or equity from public and private financiers**
- Instrument for achieving EU external policy objectives. Complementary to other aid modalities. Following relevant regional, national and overarching policy priorities
- The EU blending facilities are organised in Blending Frameworks corresponding to the financing instruments providing funding in support of the Union's external policies
- Regional and thematic blending facilities

EU grant can take different forms:

- Investment grant & interest rate subsidy**
- Technical assistance**
- Risk capital**
- Guarantees**
- Project Cycle and timing**



3. EU Blending facilities

GEOGRAPHICAL COVERAGE OF EU BLENDING FACILITIES



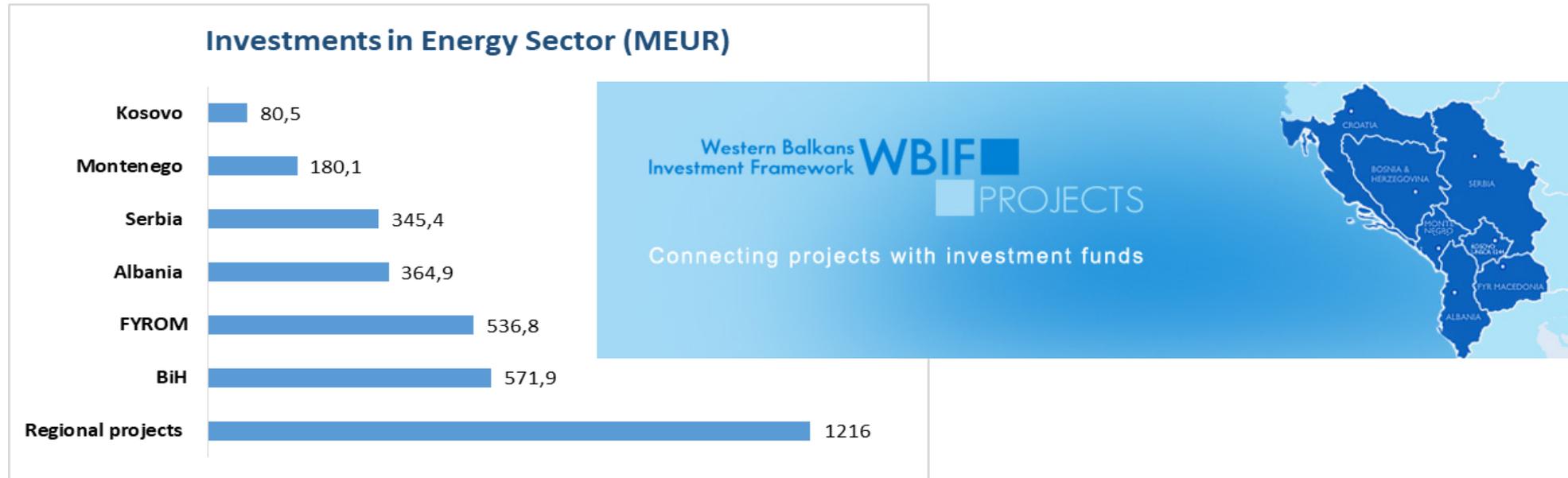
Thematic Blending

- **ElectriFI** aims at accelerating access to electricity and modern energy services through intervention at the development stage of a project.
- **AgriFI's** objective is to unlock, accelerate and leverage investments with a value chain approach focusing on smallholder's inclusiveness and/or MSME agri-business.
- **Climate Finance Initiative** supports identification and piloting of innovative climate finance instruments to mobilise private development finance.

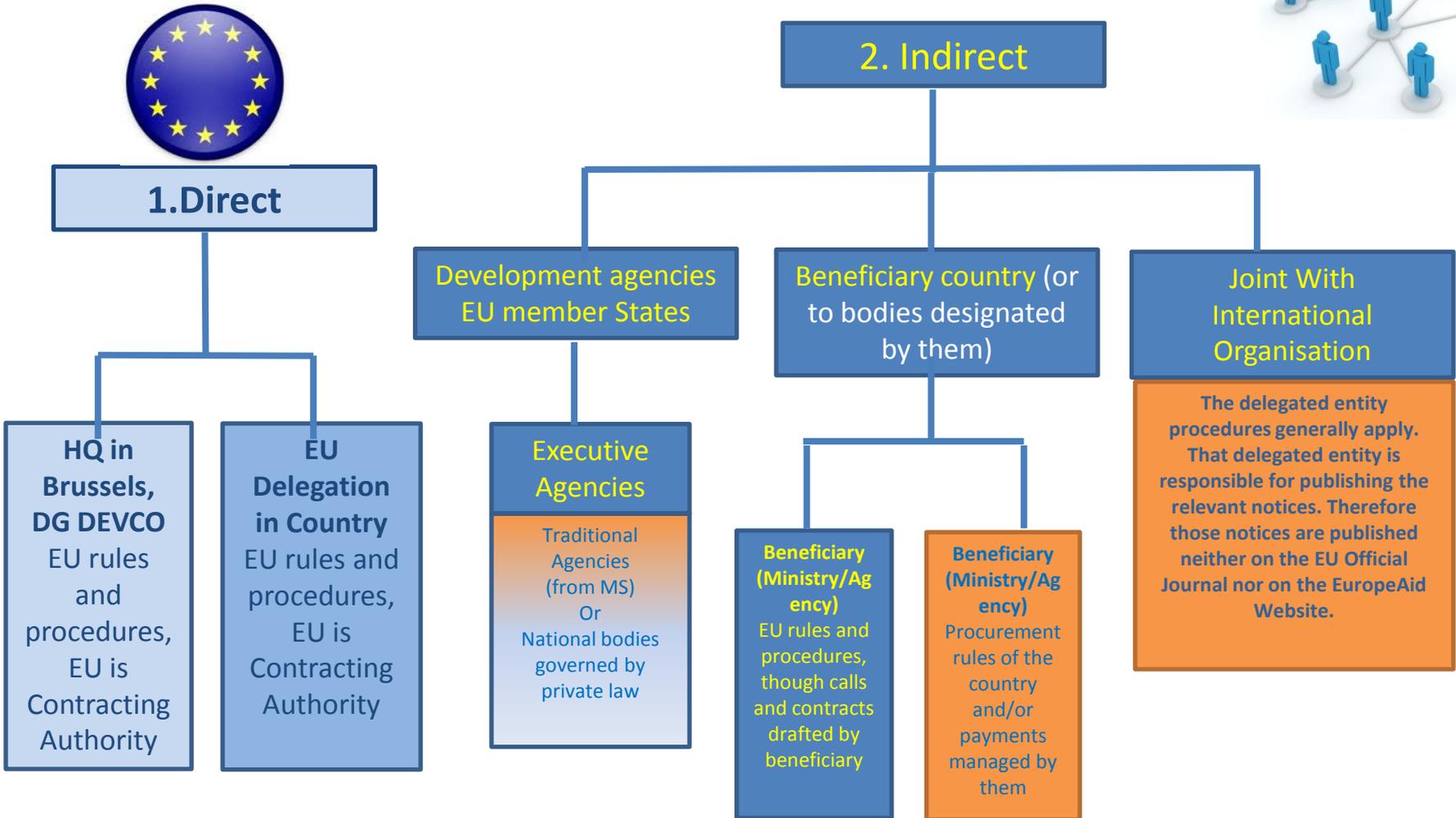
3. EU Blending facilities – focus on Western Balkans Investment Framework

- The WBIF focuses on investment in key sectors: **energy**, environment, transport, social, and private sector development, by blending resources from:
- Grants from IPA & 20 bilateral donors
- Loans from IFIs
- National finance
- So far, the WBIF has allocated **600 MEUR** in grants to Western Balkans, out of which **492 MEUR** represents the EU contribution. The grant allocation is matched by **5 BEUR** in signed loans.

ENERGY SECTOR



4. Implementation modalities of EU External Aid funds

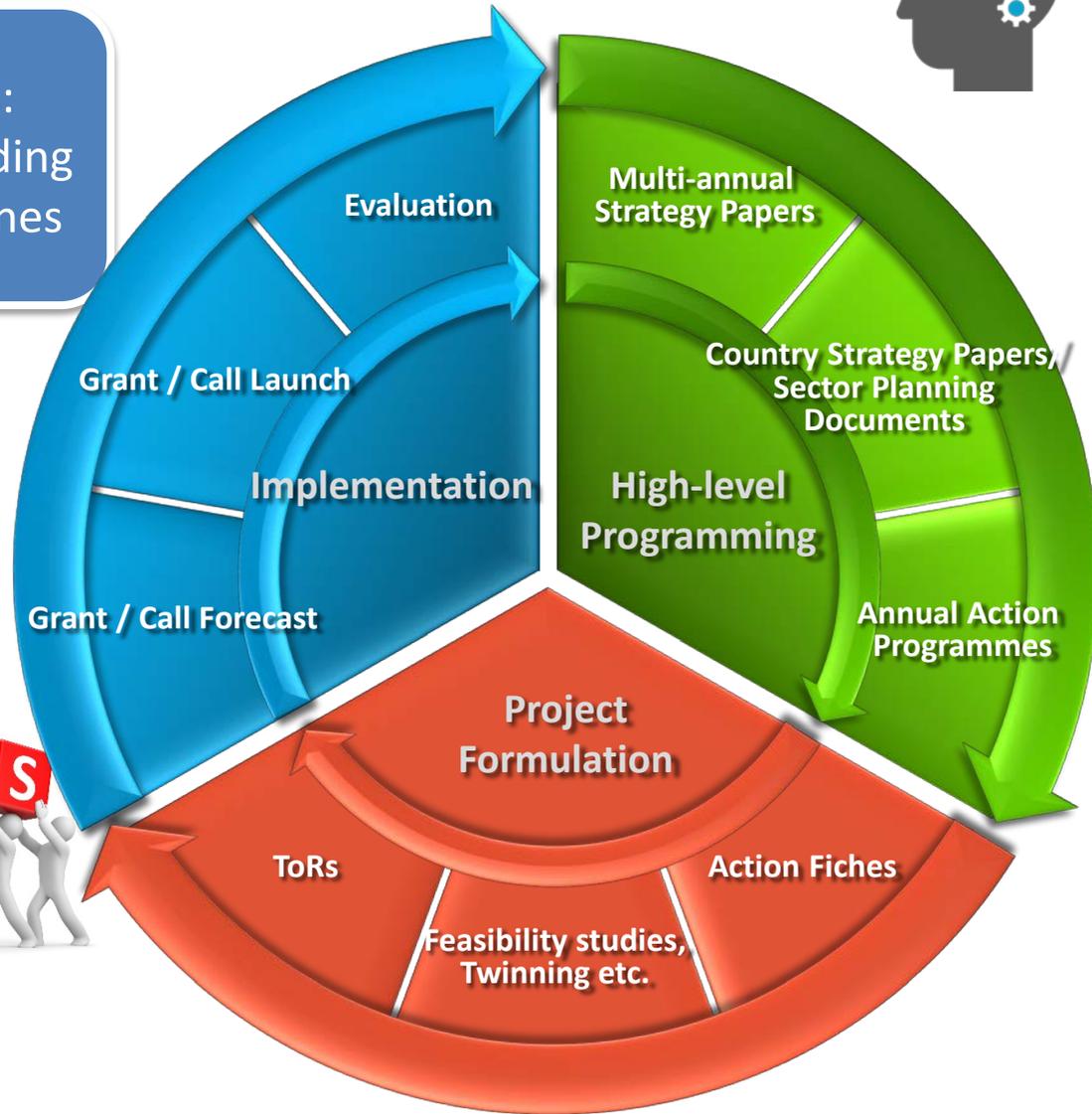


5. The Project Cycle



Key actions:
bidding according
to the guidelines

Key actions:
Understanding &
Influencing



Key actions:
partnering and
preparing the bid

6. The Tendering procedure

What is the PRAG? *Practical Guide to contract procedures for European Union external actions*

- It explains the contracting procedures applying to all EU external actions financed by the EU budget and the European Development Fund (EDF).

Where do I find the PRAG?

Public document, available at: <http://ec.europa.eu/europeaid/prag>

Financial Regulation (consolidated version)

<http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1426581393503&uri=CELEX:02012R0966-20140618>



The screenshot shows the PRAG 2016 website interface. At the top, there is a navigation bar with the European Commission logo and the text "INTERNATIONAL COOPERATION AND DEVELOPMENT eContent". Below this, a breadcrumb trail reads "European Commission > International Cooperation and Development > Funding > Online Services > Prag > PRAG". A secondary navigation bar includes "Version 2016.0", "Document", "Annexes", "Download available languages", "Previous versions", "Keywords", "External links", and "Search". On the left side, there is a table of contents with the following items: 1. Introduction, 2. Basic rules, 3. Service contracts, 4. Supply contracts, 5. Works contracts, 6. Grants, 7. Legal Texts, and 8. List of Annexes. The main content area features a graphic with the text "PRAG Practical Guide" and the date "15 January 2016". Below the graphic, a small text block states: "PRAG 2016 is applicable to procedures where the contract notice / guidelines for applicants have been published as from 15 January 2016. The e-notices templates will be available when applicable for PRAG call for tenders."

6. The Tendering procedure

Where to find tendering opportunities? EUROPEAID PORTAL

<https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome&userlanguage=en>

European Commission > EuropeAid > Work with us > Funding > Calls for proposals & Procurement notices

Calls for proposals & Procurement notices

Latest Publications | **Search by reference** | **Advanced Search**

Programme

Type Grants Supplies Services Works

Status Closed Open Forecast

Geographical Zone Select region or country

Published After **Published before**

The Latest Publications tab can be used to search the Forecast and Open calls published during the last ten days.
The Reference Search tab can be used to search a call based on the reference of the call (i.e. 128150 for the call EuropeAid/128150/D/ACT/TR).
The Advanced Search tab can be used to search calls based on the region, the country, the program,...

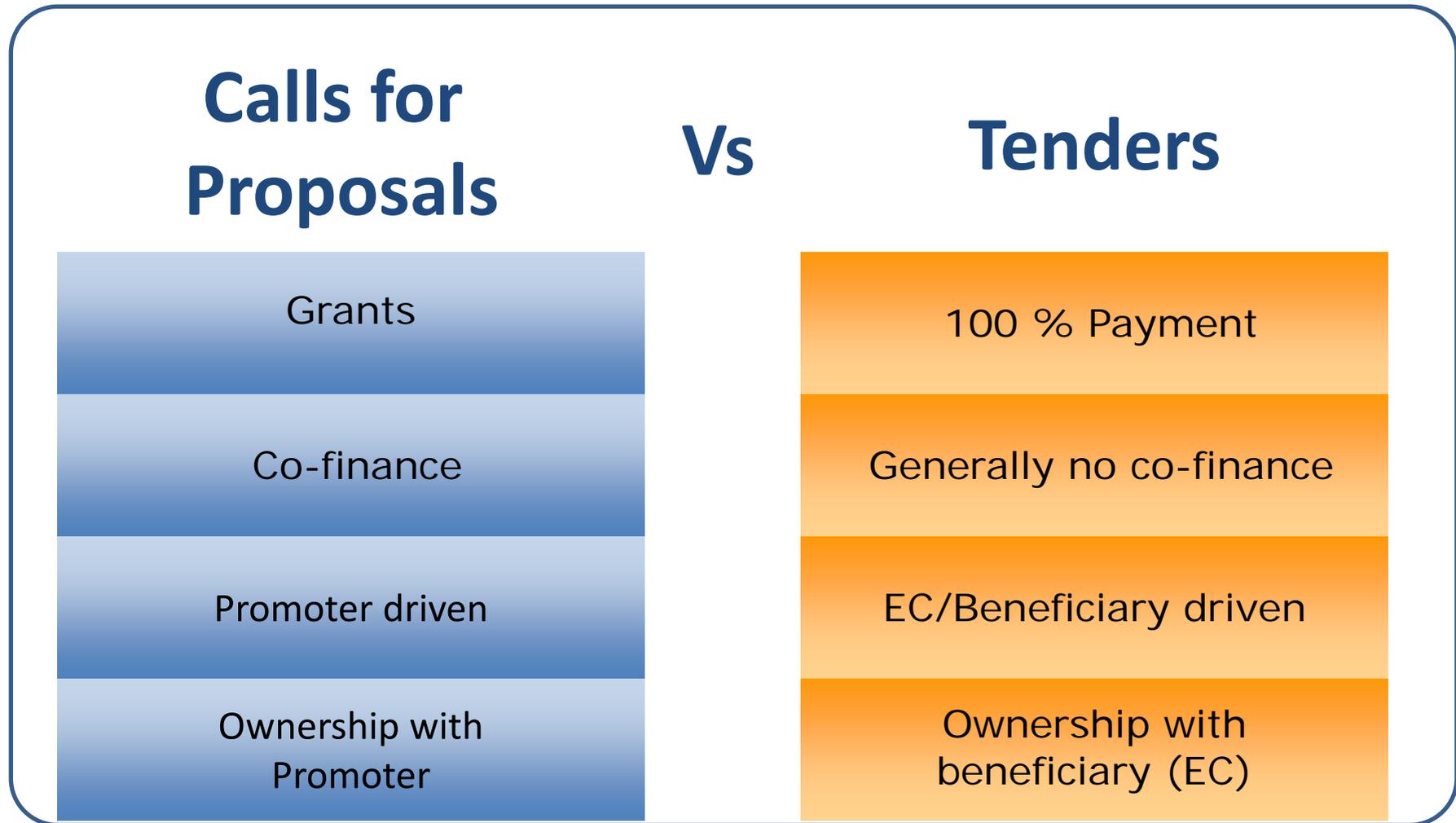
[Subscribe to the RSS feed](#) and be automatically notified of new publications and updates.

What's in there?

- the pre-information notices
- the procurement notices
- tender dossiers
- award notices

6. The Tendering procedure

EUROPEAID publishes calls for tenders (services, supplies, works) and calls for proposals



6. The Tendering procedure

Tendering criteria

- **Exclusion criteria:** bankruptcy, criminal offences, etc.
- **Selection criteria:**
 - ✓ **Economic and financial capacity**
the tenderer's average annual turnover in the last three years must exceed the annualized maximum budget of the contract
 - ✓ **Professional capacity**
number of permanent staff or in a concrete field in last 3 years
 - ✓ **Technical capacity**
"x" implemented projects in the last 3 years (5 for works) of at least a certain amount and in related fields
- **Award criteria:** to determine which proposal provides offers the best price-quality ratio



6. The Tendering procedure

Common mistakes made by applicants

Administrative reasons

- Late arrival
- Tender guarantee missing or not in right format
- Incomplete documentation
- Not in accordance with templates
- Tenderer/applicant/member of consortium/sub-contractor not eligible
- Bid not signed
- Bid not in the currency/language required
- Selection criteria not fulfilled
- Financial offer not in a separate envelope or visible in the technical offer (service contracts)



6. The Tendering procedure

Recommendations

1. Define your strategy

- Will you be a sole tenderer / (lead) member of a consortium / sub-contractor ?

2. Use the clarification period to:

- ask whatever is not clear in the tender dossier / guidelines for applicants

3. Pay attention to all the instructions in the Call for tenders / Call for proposals, and in particular to:

- Terms of reference (services)
- Technical specifications (supplies)
- Bill of quantities (works)
- Guidelines (grants)

4. Check carefully:

- Eligibility: nationality (members in a consortium, sub-contractors)
- Origin of goods (for supplies and works)
- Selection criteria on Contract notice
- Evaluation Grids (services), check lists (grants)
- Respect of formal submission requirements



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Thank you for your attention !

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