

CO2SENSE YORKSHIRE

**GREENHOUSE GAS SAVINGS
CAPITAL INVESTMENT FUND**

Call for Projects for 2009-2012

GREENHOUSE GAS SAVINGS CAPITAL INVESTMENT FUND

1. Introduction

CO2Sense Yorkshire

Yorkshire emits more CO₂ than any other UK region and the region has already set itself a challenging target to reduce carbon emissions by 25% by 2016. CO₂Sense Yorkshire intends to play a key role in helping the region meet this target.

CO₂Sense Yorkshire is a not-for-profit company, owned and funded by the regional development agency, Yorkshire Forward, with objectives to reduce CO₂ emissions in the region, while enabling economic growth.

The company achieves this through four programmes, each aimed at cutting the region's carbon emissions. These programmes have already helped hundreds of businesses and saved thousands of tonnes of CO₂ from being released into the atmosphere.

The CO₂Sense programmes include Resource Efficiency, Future Energy, Carbon Action, and a new programme that brings together a range of industry partners to develop carbon capture and storage capability in the region.

Our staff have outstanding track records in industry and sound business insight. We're committed to seeing Yorkshire companies thrive: we help them to identify new products and income streams, expand their markets and increase their profitability. And we show companies how to achieve this while working in a sustainable way that reduces their carbon emissions.

CO₂Sense Yorkshire: Carbon sense to Commercial sense.

Overview of project

CO₂Sense Yorkshire has published this call for projects to invite businesses and stakeholders from the environmental, waste management, recycling and associated sectors to submit business growth plans and project proposals for potential support and investment funding. It is important to note that the Resource Efficiency Capital Investment Fund is only open to Small and Medium sized Enterprises (SMEs), the definition of which is a:

'A small or medium-sized enterprise (SMEs) employing fewer than 250 persons and with an annual turnover not exceeding €50 million (approx. £39,000,000), and/or an annual balance sheet total not exceeding €43 million (approx. £33,000,000).'

This is illustrated in the table below showing ceilings between micro, small and medium-sized businesses below:

Enterprise category	Headcount	Turnover	Or	Balance sheet total
Medium-sized	<250	≤€ 50 million		≤€ 43 million
Small	<50	≤€ 10 million		≤€ 10 million
Micro	<10	≤€ 2 million		≤€ 2 million

Source: http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm (April 2009).

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Our key aim is to increase the competitiveness, capacity, quality or scale of companies in the resource efficiency sector in Yorkshire & Humber to find new business and grow.

Specifically this call relates to:

- Reducing commercial & industrial waste generation.
- Increasing re-use and recycling (collection and/or processing and/or use of recycled material in manufacturing recycled content products).
- The design and production of products that reduce energy and water consumption.

It should be noted that the GHG investment fund is a ‘fund of last resort’ in that CO2Sense Yorkshire expects projects to first of all have exhausted all other routes to access finance. Other routes include a business’s own funds; private sector lenders including high street banks, government established lending agencies; venture capitalists; and other grant funding providers.

2. Priority Areas

CO2Sense Yorkshire will, over the next three years, be investing in companies seeking to start up, develop or enhance the scale, capacity or quality of regional resource efficiency. The table below shows the sector areas CO2Sense Yorkshire is working with and the cross cutting themes that impact upon each of these areas. CO2Sense Yorkshire’s key priorities are indicated by the word “high”.

Sector	Priority Sub-sector/ Funds						
	Prevention	Re-use	Collection	Re-processing	Manufacturing	Procurement	Social Enterprise
Glass	High				High	High	
Logistics	High						
Organics			High			High	
Food and Drink	High		High	High		High	
Paper	High		High		High	High	
Plastics	High				High	High	
Rubber	High			High	High	High	
Electronics		High	High		High	High	
Wood		High	High				High
Water saving technologies	High	High				High	
Social Enterprise	High	High	High				
Energy saving technologies	High					High	
Sustainable Procurement	High	High			High		High

3. Assessment

In order to progress the region's resource efficiency, CO2Sense Yorkshire has investment funding and support available for projects relevant to the areas outlined above. We will also work with partners to lever a variety of support available from other business support organisations on a project-by-project basis. For example, support may be suggested from partners such as: Business Link, Envirowise, WRAP, Carbon Trust, NISP, MAS, WhyWaste and sub regional green business clubs.

CO2Sense Yorkshire may move forward with projects in some or all of the sector areas in the forthcoming years:

- £450,000 of capital funding has been allocated for 2009/10 – closed.
- £400,000 of capital funding has been allocated for 2010/11 – proposed.
- £300,000 of capital funding has been allocated for 2011/12 – proposed.

Projects can run over more than one year.

Previously, projects have been funded ranging from £5,000 to £120,000. Each approach to CO2Sense Yorkshire will be considered on an individual basis. It is essential that interested parties submit their applications in a formal CO2Sense Yorkshire application form.

It is important to note that project managers within the Resource Efficiency programme are here to help you and guide you through the application form. They can discuss the information required and the format in which it should be presented. The CO2Sense Yorkshire team is keen to discuss business growth plans and project ideas, in the first instance please speak with your usual contact or email jan.phillips@co2sense.org.uk

In addition to the application form, applicants are requested to submit supplementary information. As a guide, the following funding levels require the following supplementary information.

Level	Funding level	Requirements
1	£1,000 - £9,999	Detailed application form plus 3 years of financial accounts or since the company has been existence (if in operation for less than 3 years).
2	£10,000 - £25,000	Level 1 information plus a full business plan and financials (including 3 years of projected profit and loss, cash flow and balance sheet information).
3	£25,000+	Level 2 information plus for companies achieving a healthy level of profitability may be required to enter an arrangement for the investment funds to be repaid over time, subject to specific conditions being fulfilled (to be negotiated following a successful application).

Investment for much larger, exceptional or regionally significant projects will be considered but funding would be sought from other regional and national sources, including private sector finance.

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Funding for ALL projects is subject to contract and reporting of the agreed project outcomes to an agreed time scale. Samples of the required reporting forms are available for download alongside these call documents or can be requested from the relevant CO2Sense Yorkshire Project Manager (www.co2sense.org.uk).

ALL investments made will be reviewed in line with current state aid regulations and must be within the appropriate state aid limits. <http://www.berr.gov.uk/files/file42032.pdf>

In order to meet the requirements of the work, organisations may wish to collaborate to form consortia (a “group”) although this is not considered to be a necessary requirement. In the case of a tender submission from a Group, the name of each member of the Group, a description of the relationship between the Group members and a statement defining the lead organisation in the Group should be provided. In the case of Group submissions all members of the Group must provide a letter (on headed paper) confirming that they have read the content of this Tender Invitation Document and that they accept the conditions contained herein.

All tender submissions will be treated on a confidential basis by CO2Sense Yorkshire and its advisers, subject to the provisions of the Freedom of Information Act 2000. All materials, contact lists, programmes and artwork created as part of this work will become, and will remain the property of CO2Sense Yorkshire and will be made available in their original electronic and / or physical form to CO2Sense Yorkshire at the end of each year. Tenderers should make it clear in their proposal if there are any restrictions or limitations to this requirement.

4. Application procedure

The deadline for this call for projects is **Monday 1st March. We will announce the successful applications the week commencing 9th April 2010.**

We plan to repeat this bi-annual call for projects again in 2011. In previous years the funding has been allocated very quickly and an early application is advised.

The application assessment procedure will work on the basis that applications will be fully assessed and the successful applicants notified within **six weeks of the submission deadline.**

Feedback and support will be provided to applicants who are felt to be unsuitable for immediate investment but which offer future potential.

The received applications will be **reviewed and scored** against the following criteria:

Outputs

- Project fits with strategic needs identified by CO2Sense Yorkshire in the call document
- Jobs Created / Safeguard
- New Businesses Created / Attracted
- Businesses Supported
- Private Sector Investment (£)
- Reduced GHG Emissions (tonnes)
- Increased GVA (£)/sales if no info
- Skills Gained

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Quality of proposal

- Quality of the business plan and supporting information.
- Company has shown a satisfactory trading history from accounts provided (if an existing business).
- Sound financial projections (profit and loss, balance sheet and cash-flow) and related assumptions.
- Organisation has the operational ability to deliver the project.
- Clear demand for the product/service, understand the market and how to sell to this market.
- Can source materials for the project.
- Track record, skills and experience of the management team.

Funding

- Have demonstrated that other sources of funding have been maximised or CO2Sense Yorkshire is funder of last resort.

Successful applicants will receive email feedback within two weeks of the panel assessment. CO2Sense Yorkshire's application review process and timescales are outlined below:

Task	2010																						
	Jan				Feb				March					April					May				
	1	2	3	4	1	2	3	4	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
Issue Call for projects (Dec)	■																						
Application development																							
Application deadline (1st March)																							
Application screening (w/c 1st March)																							
Shortlisted company credit checks (w/c 8th March)																							
Panel assessment (15th March to 2nd April)																							
Final allocation meeting (w/c 5th April)																							
Contract signing / negotiation																							
Announcement of successful applicants (w/c 19th April)																							
Project commencement																							

Proposals should be submitted using the application form provided. Please send 1 paper copy, printed double sided on recycled paper and one electronic copy of your submission, addressed to:

Jan Phillips
 CO2Sense Yorkshire Victoria House
 2 Victoria Place
 Leeds
 LS11 5AE
 Telephone: 0113 2378419
 Email: jan.phillips@co2sense.org.uk

Project proposals and the packaging that contain proposals should clearly state the following:

“GHG Savings from Resource Efficiency – CO2Sense Yorkshire”

If you have any feedback about this proposal call please contact jan.phillips@co2sense.org.uk



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 by the European Union
 European Regional
 Development Fund

APPENDIX 1: RESOURCE EFFICIENCY PROGRAMME

AIM:

To increase the competitiveness of regional businesses through the wide-spread adoption of resource efficiency measures

PRINCIPLES:

In line with business support simplification, we will:

1. Ensure our resource efficiency support fits within the new BIS (Department for Business Innovation and Skills) /Defra “Promoting Resource Efficiency and Sustainable Waste Management” business support product and is flexible to any future changes.
2. Make Business Link the primary gateway for support and develop access to specialist support.
3. Ensure that business needs are met and the customer journey is simple.
4. Ensure that the publicly funded investments are focused and we reduce any duplication and confusion.

OBJECTIVES:

In order to do this there are 4 objectives:

1. Use research to establish clear regional resource efficiency priorities to focus activity and establish an integrated, independent evaluation regime for the programme.
2. Support partnership working and build the capacity of all partners and systems, focusing initially on Business Link (Yorkshire) and the new Regional Knowledge System.
3. Encourage and help businesses to take action to improve their resource efficiency (Create the “Demand”).
4. Develop the environmental goods and services sector to ensure business take up is in line with provision and our impact is sustainable (Create the “Supply”).

TARGET AUDIENCES:

1. The general business community

Increase the awareness and implementation by businesses to reduce their consumption of resources (energy, waste, water, raw materials) and to embed this activity into their practices in the long term. Develop sustainable, ongoing networks which help businesses, particularly SME’s to learn from each other.

2. The environmental goods and services sector

This increased demand for advice, support and equipment provides business opportunities for the environmental goods and services sector (e.g. consultants, equipment suppliers and



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the recycling industry) we need to ensure they recognise and seize the opportunity and can access the private sector finance, expertise, partner networks and development sites needed.

3. Partners and stakeholders

As part of our Strategic Added Value role we need to co-ordinate and integrate with partner activity while keeping the needs of the business customer at the heart of all activity.

MEASUREMENT OF SUCCESS:

The overall policy aim is to 'decouple' economic growth from resource use and environmental impact. The programme will develop a resource efficiency indicator based upon Gross Value Added (GVA) / Tonne of CO₂ equivalent. This will be monitored over the 3 year programme.

Outputs of the specific activities will be measured through the following targets:

- Jobs and businesses created;
- Private Sector Investment;
- Businesses Supported;
- Skills;
- Reduction in GHG emissions, reduction in landfill, and other Business Resource Efficiency and Waste (BREW) indicators.

Thanks to continued support from Yorkshire Forward and the European Regional Development Fund (ERDF) the CO₂Sense Yorkshire programme is being developed to address the wider resource efficiency issues of waste minimisation and reuse as well as recycling.

Further information on the new Resource Efficiency programme is available from www.co2sense.org.uk

APPENDIX 2: CO2Sense Yorkshire Liability Statement

This information is offered in good faith for the guidance of interested parties, but no warranty or representation is given as to the accuracy or completeness of any of it. CO2Sense Yorkshire and its advisers shall not be under any liability for any error, misstatement or omission. No aspect of this procedure shall constitute a contract or part of a contract. Tenderers participate in the process on the strict understanding that the procedure may be altered or that CO2Sense Yorkshire may not proceed for any reason. CO2Sense Yorkshire reserves the right not to follow up this Tender Invitation Document in any way and in particular not to enter into any contractual arrangement with any of the tenderers. CO2Sense Yorkshire does not bind itself to enter into negotiations or proceed with or accept any tender. Any decision to tender is at the sole discretion of the tenderer and CO2Sense Yorkshire excludes all liability in respect of any tendering costs incurred.

Any contract entered into, as a result of this Tender Invitation procedure, shall be subject to proof of insurance, satisfactory to CO2Sense Yorkshire and generally in accordance with CO2Sense Yorkshire 's standard form of contract.

GUIDANCE

There are EC rules governing the support (State Aid) which may be given to businesses. The CO2Sense Yorkshire programme often operates under an element of the State Aid rules known as *de minimis* which allows limited amounts of business support without notifying it to the EC.

The *de minimis* limit allows up to €200,000 (approx £140,000¹) for all support given to one company over a rolling three year period. If this limit is exceeded the company may be required to repay the excess.

To be considered for CO2Sense Yorkshire investment funding your company must provide an accurate list of all support² it has received in the past three years. To comply with this requirement please complete the table overleaf listing all such support, received or pending, and sign the declaration.

¹ To check exchange rates you will need to use the official Commission exchange rate that is up-dated on a monthly basis
http://ec.europa.eu/budget/infocentre/index.cfm?fuseaction=currency_historique¤cy=GBP&Language=en

² This is very widely defined and includes any government or government controlled funding dispensed by any government or government appointed body (including NGO's, local authorities etc) in any form whatsoever, including grants, loans, guarantees, tax breaks etc.



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