



Deliverable D4.6
Guidelines for SMEs in the
water reuse field to make use of
available financing solutions



The project "Innovation Demonstration for a Competitive and Innovative European Water Reuse Sector" (DEMOWARE) has received funding from the European Union's 7th Framework Programme for research, technological development and demonstration, theme ENV.2013.WATER INNO&DEMO-1 (Water innovation demonstration projects) under grant agreement no 619040

Deliverable Title		D4.6 Guidelines for SMEs in the water reuse field to make use of available financing solutions
Related Work Package:	WP4: Business Models and pricing strategies	
Deliverable lead:	ACTEON	
Author(s):	Gloria De Paoli, Ivan Zayas	
Contact for queries	g.depaoli@acteon-environment.eu	
Dissemination level:	Public	
Due submission date:	30/07/2016	
Actual submission:	5/12/2016	
Grant Agreement Number:	619040	
Instrument:	FP7-ENV-2013-WATER-INNO-DEMO	
Start date of the project:	01.01.2014	
Duration of the project:	36 months	
Website:	www.demoware.eu	
Abstract	<p>These report aims at providing guidance to SMEs in the field of water reuse on available financing opportunities in the EU and on how to access these funding sources. Links to relevant resources, websites and further reading are provided. Whenever relevant, these guidelines also present case studies to provide practical examples of e.g. financing strategies, combinations of different funding sources for water reuse projects, use of European funds for water reuse, etc</p>	

Versioning and Contribution History

Version	Date	Modified by	Modification reason
1	15.07.2016	Gloria De Paoli, Ivan Zayas	
2	27.07.2016	Gloria De Paoli, Ivan Zayas	Internal comments
3	28.11.2016	Fernando Casado and David Smith	Graphics added to show the checklist procedure

Table of contents

Versioning and Contribution History	i
Table of contents	i
List of figures	ii
List of tables.....	ii
Executive Summary	1
1 The guidance document	2
1.1 What can I expect to find in this document?	2
1.2 Who is this guidance document for?	3
2 Financing for water reuse: an overview.....	5
2.1 Where does financing come into play in the water reuse project cycle?	5
2.2 EU Funds: general information and sources of advice.....	6
2.3 Additional international funding sources: and overview	14
3 Checklist Process: How to Identify Suitable EU Funding Sources	17
3.1 Is my type of SME eligible for funding?.....	17
3.2 Is my type of activity eligible for funding?	19
3.2.1 Research and development of innovative technologies	19
3.2.2 Pilot and market replication	21
3.2.3 Commercialization, market-oriented activities and business expansion	23
3.2.4 Technology transfers, exploitation and protection of intellectual property rights	24
3.2.5 Policy analysis and strategy development	25
3.2.6 Installation of an internal water reuse system by farms, agribusinesses and industry	27
3.2.7 Installation of water reuse systems by small and medium water operators	28
3.2.8 Training for staff and development of new skills for the enterprise's staff	30
3.2.9 Networking activities and enterprise associations	31
3.3 What is the timeline of the fund's application?.....	32
3.3.1 Can I apply anytime?	32
3.3.2 Is there a quick funding decision?	34
3.3.3 Can I decide myself how long my project will last?	35
3.4 What type of financial support can I obtain?.....	36
3.4.1 Provision of Grants	36
3.4.2 Provision of Loans/ guarantees/ venture capital	37
3.4.3 Service contracts	41
3.5 Partnership: Who else is involved in the project?.....	42
3.5.1 Nobody else is involved (apart from one single contractor/ beneficiary)	42
3.5.2 Partners only in my country or region	43
3.5.3 Partners in other EU MS or from the EEA	43
3.5.3. Partners from non-EU MS	44
3.6 Scorecard	45
4 Information on application procedures	47

5 References49

List of figures

Figure 1 Guidelines Structure.....2
Figure 2 The roles of SMEs in the development and operation of a water reuse system.....4
Figure 3 Development and operation of a water reuse system: financial flows5
Figure 4 Schematic illustration of SME involvement in the phases of a water reuse scheme and related funding sources and beneficiaries7
Figure 5 Checklist Process: How to Identify Suitable EU Funding Sources.....17
Figure 6 Scorecard for the selection of the EU funding source(s) that best fits your needs and characteristics.....46

List of tables

Table 1 EU funding sources: eligible beneficiaries, by type of SME18

Executive Summary

This report aims at providing guidance to SMEs in the field of water reuse on available financing opportunities in the EU and on how to access these funding sources. Links to relevant resources, websites and further reading are provided. Whenever relevant, these guidelines also present case studies to provide practical examples of e.g. financing strategies, combinations of different funding sources for water reuse projects, use of European funds for water reuse, etc.

A financing strategy is defined and composed by three main elements (Chapter 2):

- Where do the funds come from? → Funding sources (e.g. public funds, bonds)
- How are funds delivered to the recipient? → Resource pathways (e.g. grants, loans)
- Who is the recipient, i.e. who owns and manages the wastewater treatment and recycling facilities? → Governance structure and utility ownership

Once funding sources are defined, the basic phases of the development and operation of a water reuse project are identified, and namely (Chapter 3):

- Research and development, focusing on the development and testing of new technologies and equipments, but also large research projects on several aspects of water reuse, such as for example economic, social and governance aspects. This phase is somewhat separate from the following phases;
- Planning the water reuse system (design and incubation);
- Implementing the water reuse system (construction);
- Operating the water reuse system (regular operation of a water reuse system, including distribution of reused water to customers).

These guidelines provide an overview of the financial flows occurring along the development and operation of a water reuse system or, on other words, how and when financing occurs along the project chain.

Subsequently, these guidelines identify how SMEs can be involved in the development and operation of a water reuse projects, such as for example: as single SMEs developing new technologies, as small water providers, etc (Chapter 4).

Thus, Chapters 2 to 4 set the overall scene of financing strategies for water reuse, and the role that SMEs can play. Once these aspects are clarified, these guidelines focus on funding sources and how to access them. In particular, this document provides:

- An exhaustive overview of available EU funding sources for SMEs, including detailed instructions on eligibility, application and access to these funds and links to relevant web resources (e.g. application pages). When available, examples of how these funds were used to finance water reuse projects are also provided (Chapter 5);
- An overview of European funding opportunities for research and innovation, focusing on SMEs – including links to relevant web resources (Chapter 6);
- The principles for designing appropriate pricing strategies for water reuse projects, as these are among the main funding sources (Chapter 7); and
- An overview of additional international funding sources for research and innovation in the field of water reuse –including links to relevant web resources (Chapter 8).

1 The guidance document

1.1 What can I expect to find in this document?

This document aims at providing **guidance to SMEs in the field of water reuse** on available financing opportunities in the EU –thus, all financing opportunities described here are available in EU MS; conversely, funding opportunities available only in non-EU countries are not considered in this guide.

The document provides an overview of both EU funding sources and additional private/ public sources; however, the major focus of the guidance is on EU funding sources, as several opportunities are available and it can be pretty difficult to identify the most suitable options for each specific case.

This document will guide SMEs involved in all phases of water reuse projects (e.g. research, innovation, market-oriented activities, construction and operation) through a series of practical questions which will lead readers to the pre-selection of suitable EU financing solutions. Information on how to apply to each funding sources are then provided.

In particular, this guide is structured as follows:

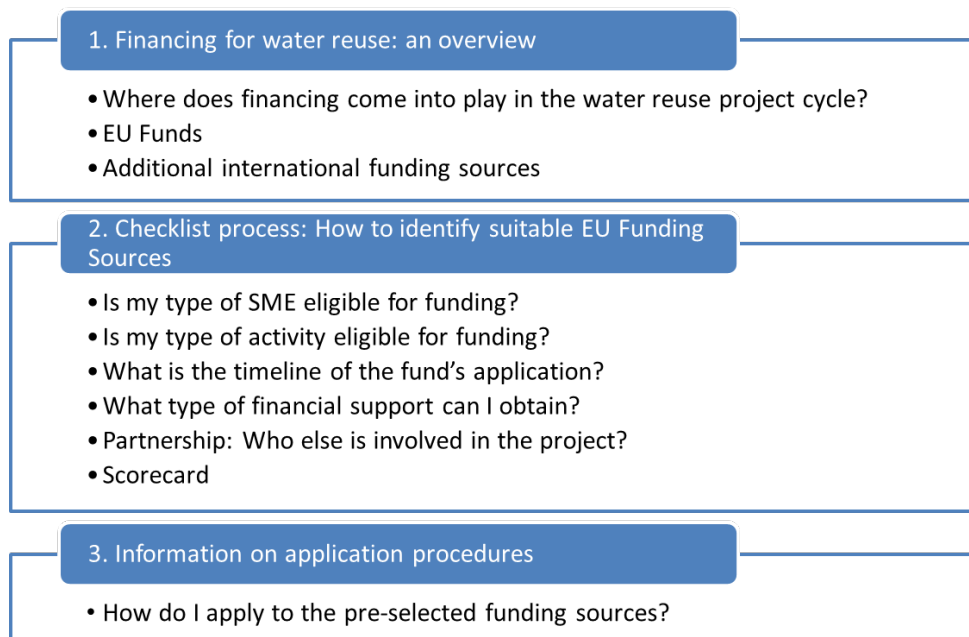


Figure 1 Guidelines Structure

An overview of financing for water reuse is provided, including: (i) a quick overview of what funding sources are, and how they intervene in the water reuse project cycle; (ii) an overview of available EU funding sources; and (iii) an overview of additional private and public funding sources available in the EU;

A check list process on how to identify suitable EU funding sources: This section of the document will guide you to the identification of suitable financing solutions for your project or types of activities, through a checklist of key questions;

- Is my type of SME eligible for funding?

- Is my type of activity eligible for funding?
- What is the timeline of the fund's application?
- What type of financial support can I obtain?
- Partnership Who else is involved in the project?

Based on the above questions, the guide provides a **scorecard** which readers can use to identify the most suitable funding source(s) for a specific project or type of activity.

Information on application procedure: For each financing sources, practical information on the application process are provided.

These guidelines focus mainly on funding opportunities available at the European or regional level, so that all SMEs across the EU can find useful information.

How to navigate through the document:

The guide includes general text as well as practical applications (case studies) and additional key information. Three icons will help you identify the type of information provided in boxes:



Key messages



Web sources and further reading



Practical applications (case studies)

1.2 Who is this guidance document for?

This guide is specifically tailored for **SMEs operating in the water reuse sector**. The roles of SMEs in the water reuse market can be various, and they include (but are not limited to):

- **Technology and service providers** for water treatment, measuring and monitoring technologies;
- **Consultancy:** offering services around several aspects of water reuse, as for example:
 - design and planning of schemes;
 - life cycle analysis, cost-benefit analysis, pricing, social acceptance, governance and legal framework, etc.);
- **Operators,** and namely:
 - small and medium water utilities (producing and distributing treated water to third parties);
 - small and medium industries operating its on-site water reuse schemes (e.g. agri-food businesses, paper industry or alike).

Their potential involvement in the different stages of a water reuse project is illustrated in Figure 2. More detail on the types of activities which can be carried out by SMEs in the water reuse sector is provided in the next chapter.

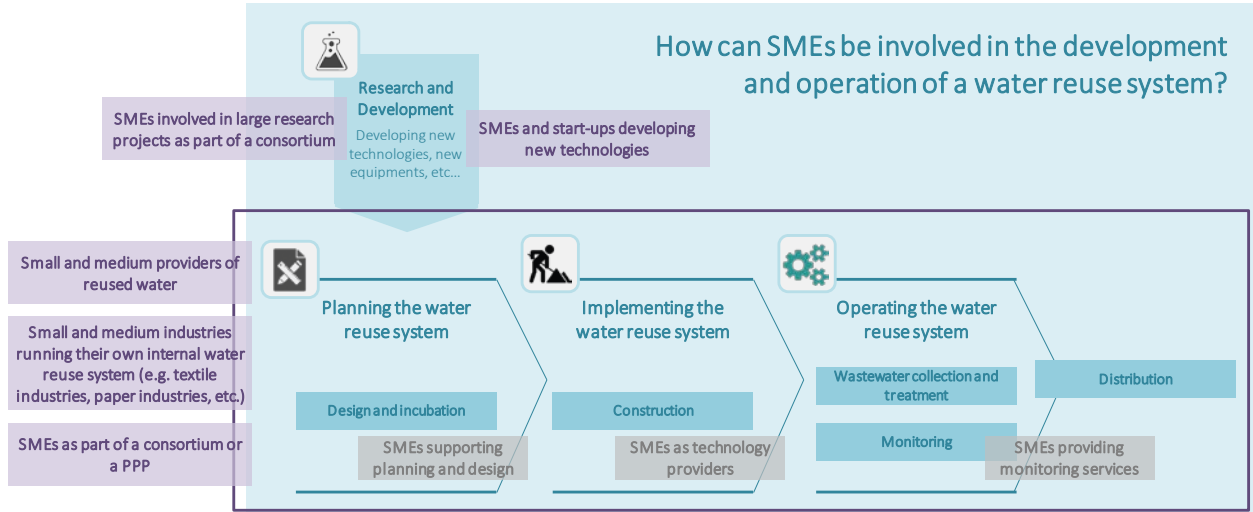


Figure 2 The roles of SMEs in the development and operation of a water reuse system

2 Financing for water reuse: an overview

2.1 Where does financing come into play in the water reuse project cycle?

Financing intervenes in all phases of the water reuse project: below illustrates all financial flows occurring along the cycle. In particular:

- **Research and development** can be financed at two levels: (i) through **external funding for research and innovation**; and (ii) through **self-financing**: commercial SMEs (and also LMEs) selling their products on the market can finance research and development activities with their own financial resources, coming from the sale of technologies and equipment;
- **External funding for research and innovation** can also come into play in the **planning phase**, provided that innovative technologies and systems are put into play;
- The **planning and implementation phases** involve what it is generally identified as the **investment costs** of a water reuse system. These costs can be funded through different sources: **EU and national funds** (thus public funds) as well as **private investment**. In several cases, as shown in the previous chapter of these guidelines, investment costs are covered at first with public and private capitals, and are later refunded by users of recycled water (and also by wastewater consumers and users of conventional water) through **water tariffs**;
- The **operation phase** involves what it is generally known as **operation and maintenance (O&M) costs**. These costs are often recovered by **user tariffs**, but also wastewater customers and users of conventional water (through cross-subsidies mechanisms, see previous chapter for more details). Some **public subsidies** can also come into play, especially in those cases when recycled water is expensive to produce, but local/national authorities want to provide an incentive to its use through cheaper water prices.

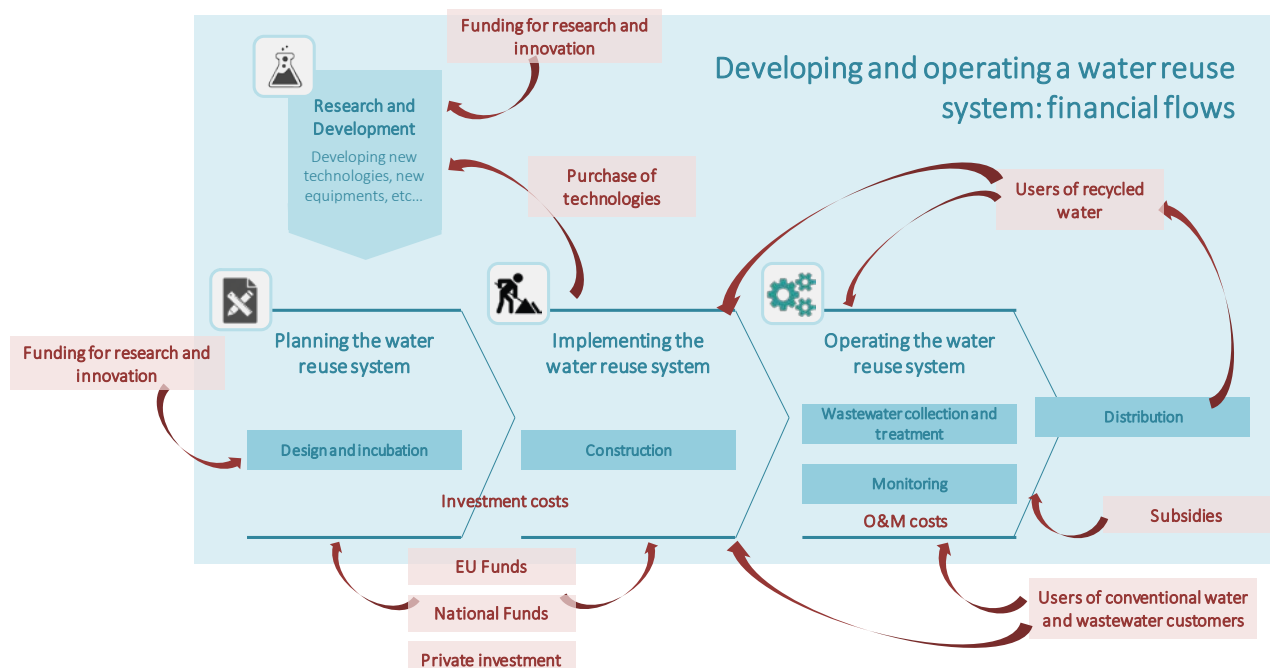


Figure 3 Development and operation of a water reuse system: financial flows

The focus of this guide is on **external funding sources**, which can come into play to support all phases of the water reuse project cycle. Self-financing is not included: here, the term “self-financing” includes all type of transactions deriving from the purchase of a good or service, as for example the purchase of equipment or the tariffs paid by water users for the provision of recycled water.



Depending on their business activity SMEs may have different needs for financial support. Related to the water reuse project cycle they may apply for external funding for:

- **Improving technologies or expand product and service portfolio by research and development:**
 - Research and development of innovative technologies;
 - Collaborative and applied research on all aspects of the water reuse sector (technologies, markets, etc.);
 - Pilot and market replication;
 - Commercialization, market-oriented activities and business expansion;
 - Technology transfers, exploitation and protection of intellectual property rights;
 - Policy analysis and strategy development;
- **Implementing water reuse schemes
(in own industrial production facilities or as contracted operator of municipal water services)**
 - installing of internal water reuse system (e.g. agri-food businesses, paper industry), small and medium water operators:
 - Planning and design of the water reuse system;
 - Construction of the water reuse system;
- **General improvement of competitiveness and capacities:**
 - Training and development of new skills for the enterprise’s staff;
 - Networking activities and enterprise associations.

The following sections of this chapter provide an overview of available funding sources, dividing them into two large categories: European funds and additional public and private financing sources. European funds are given particular attention in this guide, as several opportunities are available for SMEs.

2.2 EU Funds: general information and sources of advice

Actions to **promote further uptake of water reuse in Europe** are among the commitments included in the Circular Economy package, presented by the European Commission in December 2015. Water reuse can and must be better integrated in water planning and management, and it is promoted: (i) as a measure to address water scarcity and achieve good status under the Water Framework Directive; and (ii) in the investment in effluent treatment as required by the Urban Waste Water Treatment Directive. To this end, the Commission has developed Guidelines on Integrating Water Reuse into Water Planning and Management in the context of the WFD (EC, 2016).

On this basis, European financing instruments include **funding opportunities for water reuse projects**. Before describing the existing instruments, however, it is crucial to identify which instruments can be requested by SMEs involved in different phases of the development and operation of a water reuse system. This is illustrated in **Error! No se encuentra el origen de la referencia..** SMEs intervening in specific phases of the planning, construction and operation process are normally not concerned by European Funds, as the

services they provide are part of investment and O&M costs and are covered as such in the construction and O&M phases of the water reuse process.

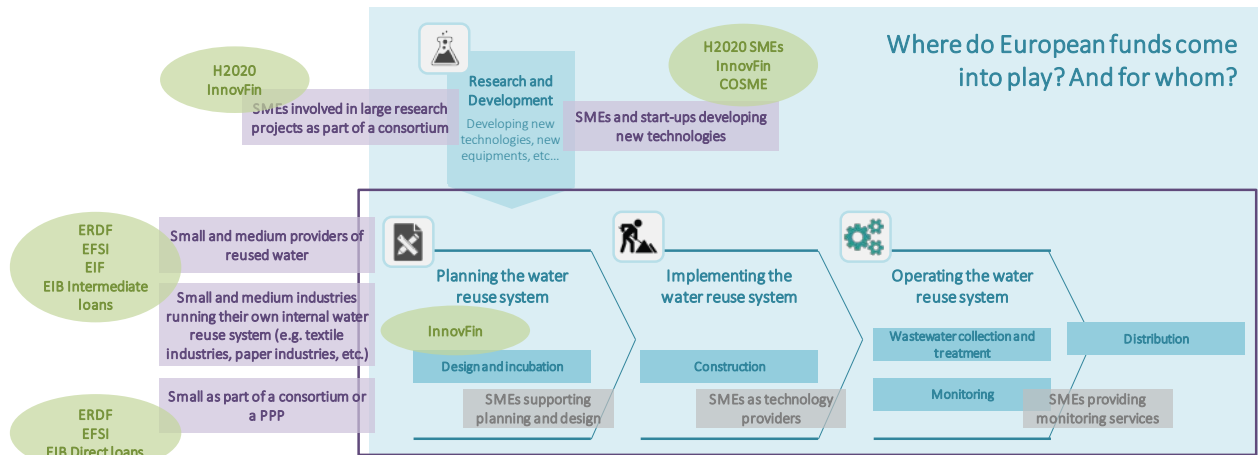


Figure 4 Schematic illustration of SME involvement in the phases of a water reuse scheme and related funding sources and beneficiaries

Below you can find several useful links where general information on EU funding for SMEs in the water reuse sector is provided.



General information on EU funding for water reuse:

<http://ec.europa.eu/environment/water/reuse-actions.htm>

EU funding and support to European SMEs: the Executive Agency for Small- and Medium-sized Enterprises (EASME)

EASME manages several EU programmes for SMEs on behalf of the Commission; its website provides extensive information on funding opportunities and other form of support.

<https://ec.europa.eu/easme/en#pillar-smesupport>

The Enterprise Europe Network

The EEN consists of over 600 offices in more than 50 countries helping SMEs find business and technology partners, understand EU legislation and access EU financing.

<https://een.ec.europa.eu/>

The portal of the European Innovation Action Plan, including information on funding for innovation:

https://ec.europa.eu/environment/ecoap/about-action-plan_en



General information on **access to EU funding** can be found here:

<http://europa.eu/youreurope/business/funding-grants/access-to-finance/>

This site will help you to apply for loans and venture capital supported by the European Union. Funding opportunities can be searched by country. This chapter summarizes EU funding opportunities and provides practical information on how to access funds. It is highly recommended to browse this portal for country-specific information and guidance on how to access EU funding.

The boxes below provide a quick overview the main EU funding sources. The following chapters will then guide you through a step-by-step identification of the EU funding opportunities which can best suit your needs and characteristics.

Horizon 2020

Horizon 2020 is the biggest EU Research and Innovation programme ever with nearly €80 billion of funding available over 7 years (2014 to 2020). Funding opportunities under Horizon 2020 are set out in multiannual work programmes, which cover the large majority of support available. The programme is divided into different sections, so called pillars, which are Excellent Science, Industrial Leadership and Societal Challenges. The latter, in particular, includes a specific section on climate action, environment, resource efficiency and raw material –which can be relevant for research in the water reuse field.

SMEs (as well as other eligible entities) cannot simply spontaneously apply to the Commission for financial assistance. Funding in the form of grants is normally allocated through the publication of “calls for proposals”: this means that project proposals have to be submitted by a certain deadline, comply with the themes defined in the call and have the required partnership structure, usually trans-national. After the deadlines, the Commission examines the proposals and a panel of external evaluators will assess them against a set of criteria. Funding will be awarded only for the best project proposals within the limits of the total available budget –so, it might well occur that a project meets the quality requirements, but it does not get funding. If approved, the Commission might still require some modifications to the original proposal in the course of negotiation of the grant agreement.

More information: <https://ec.europa.eu/programmes/horizon2020/en/what-work-programme>

Horizon 2020 SMEs Instrument

The SME instrument constitutes a special aspect of the Industrial Leadership pillar in H2020. It offers funding and coaching support to innovative SMEs, and boosts actions in the areas of climate action, environment, resource efficiency and raw materials. The instrument is directed to high growth, highly innovative SMEs with global ambitions, actively investing in innovation, and looking to grow. To access the fund, SMEs should be already established further than the start-up stage.

Under the call 2016-2017, water reuse can be funded under three programme topics: (i) stimulating the innovation potential of SMEs for sustainable and competitive agriculture, forestry, agri-food and bio-based sectors (total allocation: 2016-2017: 63.3 Million EUR); (ii) supporting SMEs efforts for the development – deployment and market replication of innovative solutions for blue growth (total allocation: 2016-2017: 21.2 Million EUR); and (iii) boosting the potential of small businesses in the areas of climate action, environment, resource efficiency and raw materials (total allocation: 2016-2017: 61 Million EUR).

Source: <http://ec.europa.eu/easme/en/horizons-2020-sme-instrument>

InnovFin

InnovFin financing tools cover a wide range of loans and guarantees which can be tailored to innovators' needs. Financing is either provided directly or via a financial intermediary, most usually a bank. The EU and the EIB Group have joined forces to provide finance for research and innovation to entities that may otherwise struggle to access financing. InnovFin can support the development of water reuse projects from the definition of concept and the assessment of their feasibility, to the demonstration of innovative projects and their commercialization.

For SMEs in particular, InnovFin can fund the deployment of innovative technologies (in particular key enabling technologies), including capital expenditure related to commercial launch, as well as research and innovation Infrastructures (both multi-country and national) and research and innovation enabling infrastructures.

More information can be found at: <http://www.eib.org/products/blending/innovfin/index.htm>

COSME

COSME is the EU programme for the Competitiveness of Enterprises and SMEs, running from 2014 to 2020, with a budget of €2.3billion. COSME supports SMEs in the following areas: (i) Facilitating access to finance; (ii) Supporting internationalization and access to markets; (iii) Creating an environment favourable to competitiveness; and (iv) Encouraging an entrepreneurial culture.

COSME aims to make it easier for small and medium-sized enterprises (SMEs) to finance in all phases of their lifecycle – creation, expansion, or business transfer. Thanks to EU support, businesses have easier access to guarantees, loans and equity capital. EU ‘financial instruments’ are channelled through local financial institutions in EU countries.

More information: <https://ec.europa.eu/easme/en/cosme>

LIFE+

The LIFE programme is the EU’s funding instrument for the environment and climate action. The general objective of LIFE is to contribute to the implementation, updating and development of EU environmental and climate policy and legislation by co-financing projects with European added value.

Water reuse projects can be funded under the sub-programme Environment and resource efficiency. Water reuse projects can be best-practice (application of state-of-the-art techniques), demonstration (application of new techniques and technologies that are new to the project context) or pilot projects (applications of techniques that have never been tested before) projects.

Also in the case of LIFE+, SMEs (as well as other eligible entities) cannot simply spontaneously apply to the Commission for financial assistance. Funding in the form of grants is normally allocated through the publication of “calls for proposals”: this means that project proposals have to be submitted by a certain deadline, comply with the themes defined in the call and have the required partnership structure. After the deadlines, the Commission examines the proposals and a panel of external evaluators will assess them against a set of criteria. Funding will be awarded only for the best project proposals within the limits of the total available budget –so, it might well occur that a project meets the quality requirements, but it does not get funding. If approved, the Commission might still require some modifications to the original proposal in the course of negotiation of the grant agreement.

More information: <http://ec.europa.eu/environment/life/about/index.htm>

European Regional Development Fund (ERDF)

The European Regional Development Fund (ERDF) supports programmes addressing regional development, economic change, enhanced competitiveness and territorial cooperation throughout the EU, and it aims at helping to reduce regional disparities across the Union. Funding priorities include research, innovation, environmental protection and risk prevention, while infrastructure investment retains an important role, especially in the least developed regions –and, in particular, infrastructures providing basic services to citizens. ERDF also supports investments in the development of endogenous potential, through fixed investment and small-scale infrastructure. The ERDF can also offer funding opportunities for innovations in water reuse, if those are in line with the smart specialization strategies of Member States and regions.

Water reuse, together with efficient water supply and wastewater treatment, is an investment priority for the ERDF (and the Cohesion Fund too): investments in this sector are in fact seen as capable to make a significant contribution to the achievement of the targets and objectives of the EU strategy for a smart, sustainable and inclusive growth.

Support for SMEs is also one of the key priority areas of the ERDF.

Investment in water reuse can be made under two different Thematic Objectives:

- TO6 (Environment and resource efficiency): investments on water reuse projects focused on achieving environmental and resource efficiency targets;
- TO1 (Research and innovation) and TO3 (SME competitiveness): investments on water reuse projects where the innovation and business dimension is the predominant aspect.

On an operational level, ERDF funds are managed at the national level, and the management is shared between the different territorial levels of governance of each MS. Each MS sets its investment priorities and allocates fund accordingly in the national operational programme, negotiated with and validated by the Commission. The national programmes are tailored to the socio-economic challenges of the MS, so they may not use all possible funding and models provided under ERDF regulations. The operational management of the funds is then delegated to a lower territorial level of governance (e.g. regions or districts), and national priorities and allocation of funds are then adapted to the local needs through local operational programmes –so there may be a further selection of possible funding and models. To understand whether the activity you have in mind is supported by the ERDF, you will need to check with the Managing Authority in charge of the programme in question. Similarly, application procedures, types of funding and project selection criteria are decided by the Managing Authority for the operational programme in question, depending on what is most appropriate for the activities established in the operational programme. Overall, project submitted to a ERDF programme will be evaluated on its likely contribution to economic development and employment in the Member State or region as well as on its scientific or technological quality.

More information: : http://ec.europa.eu/regional_policy/index.cfm/en/funding/erdf/

http://ec.europa.eu/regional_policy/en/information/legislation/regulations/2007-2013/#erdfregulation

European Agricultural Fund for Rural Development (EAFRD)

The EU's rural development policy helps the rural areas of the EU to meet the wide range of economic, environmental and social challenges of the 21st century. Frequently called "the second pillar" of the Common Agricultural Policy (CAP), it complements the system of direct payments to farmers and measures to manage agricultural markets (the so-called "first pillar"). The Fund contributes to improving:

- the competitiveness of agriculture and forestry;
- the environment and the countryside;
- the quality of life and the management of economic activity in rural areas.

EAFRD resources are allocated through Rural Development Plans (RDPs), developed by MS at the national or regional level. RDPs define the measures to be financed in the programming period.

Looking more in detail at water reuse, EAFRD resources can be used to finance **water reuse infrastructures in agriculture** (e.g. on-farm water recycling, water reuse plants for irrigation in rural areas). Financing for water reuse can be founded under one of the programme's priority: "promoting resource efficiency and supporting the shift toward a low-carbon and climate-resilient economy in the agriculture, food and forestry sectors". The rural development priorities are broken down into "focus areas". Water reuse projects can fall under the priority "increasing efficiency in water use by agriculture".

On an operational level, EAFRD funds are managed in a similar way to the ERDF funds: management is at the national level, and it is then shared between the different territorial levels of governance of each MS. Each MS sets its rural development priorities and allocates fund accordingly in the national RDP, negotiated with and validated by the Commission. The national RDP are tailored to the rural socio-economic challenges of the MS, so they may not use all possible funding and models provided under EARDF regulations. The operational management of the funds is then delegated to a lower territorial level of governance (e.g. regions or districts), and national priorities and allocation of funds are then adapted to the local needs through local RDPs –so there may be a further selection of possible funding and models. To understand whether the activity you have in mind is supported by the EARDF, you will need to check with the Managing Authority in charge of the programme in question. Similarly, application procedures, types of funding and project selection criteria are decided by the Managing Authority for the RDP in question, depending on what is most appropriate for the activities established in the RDP. Overall, project submitted to a RDP programme will be evaluated on its likely contribution to the rural development priorities of the MS and region in question.

More information: http://ec.europa.eu/agriculture/rural-development-2014-2020/index_en.htm

European Fund for Strategic Investment (EFSI)

EFSI is an initiative launched jointly by the EIB Group - European Investment Bank (EIB) and European Investment Fund (EIF) - and the European Commission to help overcome the current investment gap in the EU by mobilizing private financing for strategic investments. EFSI is one of the three pillars of the Investment Plan for Europe that aims to revive investment in strategic projects around Europe to ensure that money reaches the real economy.

With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities. It focuses on sectors of key importance where the EIB Group has proven expertise and the capacity to deliver a positive impact on the European economy, including strategic infrastructures and the expansion of renewable energy and resource efficiency (e.g. water supply and wastewater treatment projects). Although water reuse projects have not been funded so far, they can in principle be financed by EFSI. EFSI funds can also be allocated to independent funding sources which can then finance water reuse projects –thus generating additional funding opportunities.

More information: <http://www.eib.org/efsi/>

Financial instruments for SMEs offered by the European Investment Fund (EIF)

EIF is a specialist provider of risk finance to benefit small and medium-sized enterprises (SME) across Europe. It is part of the EIB Group. Shareholders are the European Investment Bank (EIB), the European Union, represented by the European Commission, and a wide range of public and private banks and financial institutions. EIF carries out our activities using either our own resources or those provided by the European Investment Bank, the European Commission, by EU Member States or other third parties. By developing and offering targeted financial products to intermediaries, such as banks, guarantee and leasing companies, micro-credit providers and private equity funds, EIF enhances SMEs access to finance. By offering Integrated Risk Finance Product Range of SME finance to our intermediaries, EIF complements the products offered by the European Investment Bank (EIB) with which we form the EIB Group.

EIF offers the following financial products:

- **Equity products:** EIF facilitates to equity for SMEs across the entire life cycle of corporate innovation;
- **Debt products - Guarantees and credit enhancement:** EIF cooperates with a wide range of financial intermediaries such as banks, leasing companies, guarantee funds, mutual guarantee institutions, promotional banks or any other financial institution providing financing to SMEs, or guarantees for SME financing;
- **Microfinance:** it consists mainly of micro-loans (less than EUR 25,000) tailored to micro-enterprises (91% of all European businesses) and people who would like to become self-employed but are facing difficulties in accessing the traditional banking services. It is mainly directed to start-ups, so it might be not so relevant for financing water reuse projects.

More information: http://www.eif.org/who_we_are/index.htm

European Investment Bank (EIB) – Lending instruments

The EIB is the EU bank. It provides finance and expertise for sound and sustainable investment projects which contribute to furthering EU policy objectives.

The EIB provides long-term loan financing to both public and private clients in the water sector, using a range of instruments. EIB financing has covered investments in all parts of the water cycle including water abstraction and supply (for household, industrial, and agricultural use), wastewater treatment and disposal, as well as coastal erosion, flood control and protection, and hydropower generation.

In the field of **water and wastewater management**, the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services. In the field of **agriculture and rural development**, funding is provided to support investment in rural infrastructures and innovative resource management. Water reuse projects can fall under both categories. So far, no water reuse project has been financed by the EIB, but this funding sources has extensively supported water supply and wastewater treatment projects –some examples are provided in the case study boxes below.

Among the instruments made available by the EIB, intermediate loans can be accessed by SMEs. The EIB makes loans to local banks and other intermediaries which subsequently "on-lend" to the final beneficiaries, including SMEs. Loan conditions can be flexible in terms of the size, duration, structure etc. Lending decisions remain with the intermediary institutions, which also retain the financial risk of the on-lending. EIB has no contractual relationship with final beneficiaries.

More information: <http://www.eib.org/about/index.htm>

2.3 Additional international funding sources: and overview

Besides financing sources made available by the European Union, a number of funding opportunities are made available in all EU MS, generally by private companies or by partnerships between private and public entities. In addition, funding for innovative start-ups can also be provided by business angels in several EU countries. These additional funding opportunities are described below. Additional funding opportunities will not be further explored in this guidance document, but information can be retrieved at the link provided for each funding source. Additional private/ public funding sources are included in the database of financing solutions for water reuse (Deliverable 4.5 of the Demoware project).

ACQUEAU

ACQUEAU supports near water-market projects, in order to facilitate the development of innovative products, processes and systems in the water sector. ACQUEAU is an industry-driven EUREKA initiative dedicated to water related technologies and innovation. It aims at promoting innovation and market driven solutions to develop new technologies in the European water sector.

The major goal is to facilitate the generation of market driven, pan-European collaborative water research and technological development projects for the benefit of the European Water Industry. Acting as an intermediary between project participants and funding agencies, ACQUEAU's mission is to deliver the EUREKA $\Sigma!$ label, which facilitates access to national funding for participants.

ACQUEAU is a non-profit association under Belgian law, it was founded by industrial companies. It counts 12 funding members from 6 European countries. ACQUEAU addresses industries that develop and sell their products or services dedicated to water catchment, production, distribution, collection and treatment, that use water in manufacturing processes and that have interest in developing technologies related to the water cycle.

Water resources and alternative sources is one of the key technology areas targeted by ACQUEAU.

More information can be found at: <http://www.acqueau.eu/about-acqueau/>

Veolia VIA

Veolia's Open Innovation initiative VIA acts as a matchmaker between innovative solution providers and the Veolia ecosystem: researchers, Business Unit managers, experts in France and internationally.

VIA aims at: (i) supporting startups and the Veolia ecosystem, so that the proposed innovation is rapidly integrated; and (ii) developing an active sourcing approach, reaching out to those with innovative solutions. VIA builds on the Group's new organization (zone/specialties) to find sponsors and Business Units that will use the solutions.

The Veolia model differs from the investment fund model in that it offers industrial support and operational collaboration. Veolia's goal is to promote the entrepreneurial ecosystem by providing access to markets, pilot sites and research and innovation capacities. It offers a successful breeding ground for establishing both large group-startup relations and win-win partnerships.

More information can be found at: <http://www.veolia.com/en/veolia-group/profile/innovation/open-innovation>

ISLE Utilities

ISLE connects start-up companies with end users and investors focusing on pre-commercial technologies that may be 1–2 years from market. Isle tracks many potential deals from the incubator stage through pilots and demonstration to commercial market uptake. The majority of the technology companies that Isle identifies require various rounds of funding to support implementation, growth and exploitation to new market sectors and geographies. The TAG (Technology Approval Group) assesses technologies and connects with end users and investors. The end user engagement facilitated via TAG ensures an attractive and well defined market that Isle can help investors to exploit.

More information can be found at: <http://www.isleutilities.com/>

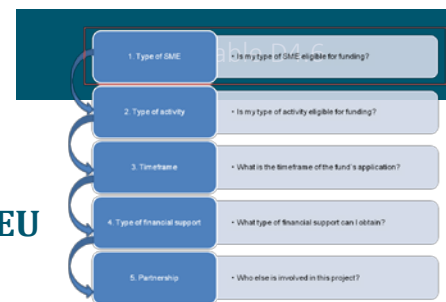
Eurostars

Eurostars supports international innovative projects led by research and development- performing small- and medium-sized enterprises (R&D-performing SMEs). A Eurostars project can address any technological area for any market, but must have a civilian purpose and be aimed at the development of a new product, process or service. Water innovation is included. Key is the R&D activity in SMEs.

More information can be found at: <https://www.eurostars-eureka.eu/>

Business angels or angel investors

An angel investor or angel (also known as a business angel, informal investor, angel funder, private investor, or seed investor) is an affluent individual who provides capital for a business start-up, usually in exchange for convertible debt or ownership equity. A small but increasing number of angel investors invest online through equity crowdfunding or organize themselves into angel groups or angel networks to share research and pool their investment capital, as well as to provide advice to their portfolio companies. Business angels associations are normally present in many EU countries, and they create a bridge between start-ups looking for funding and investors.



3 Checklist Process: How to Identify Suitable EU Funding Sources

As seen in the previous chapter, a number of EU funding opportunities is available for SMEs operating in the water reuse sector. Actually, there are so many opportunities, each of them with different characteristics, eligibility requirements and so on, that identifying suitable funding sources can be a challenging and complex task. The objective of the following section is precisely to guide you in the identification of EU funding sources applying the following methodology.

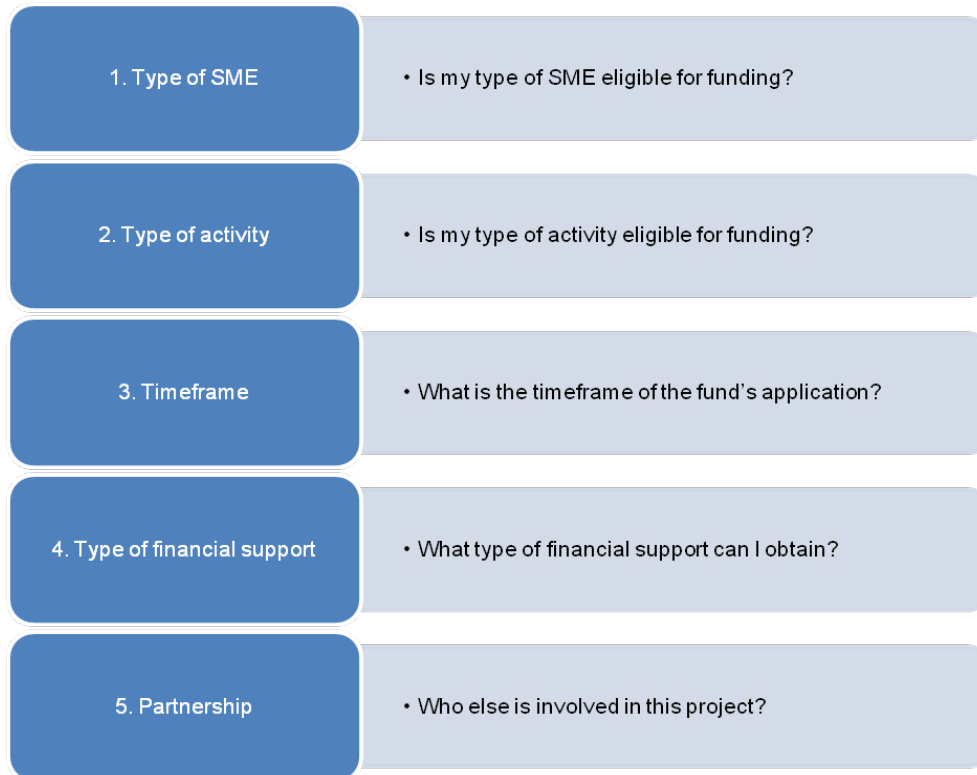


Figure 5 Checklist Process: How to Identify Suitable EU Funding Sources

The methodology is structured along a **checklist of practical questions** which will be further analyzed for each funding source. This checklist of question is based on, and inspired to, the “New practical guide to EU funding opportunities for research innovation”, developed by the European Commission for the programming period 2007-2013 (EC, 2011). The checklist proposed in this guidance was re-worked and adjusted to the specific case we are looking about –SMEs in the field of water reuse along the whole project cycle (thus not only research and development)¹.

3.1 Is my type of SME eligible for funding?

Although some funding opportunities are directed to all types of SMEs, other sources target some types of SMEs only. The table below identifies the main types of SMEs operating along the water reuse project cycle,

¹ The 2011 Guidance was also used as a major source of information for compiling the checklist. The Guidance can be downloaded at: http://ec.europa.eu/research/participants/data/ref/fp7/204008/practical-guide-rev3_en.pdf

and indicate which type of EU funding they are eligible for. Overall, most of EU funds are available to all types of SMEs involved in the water reuse project cycle.

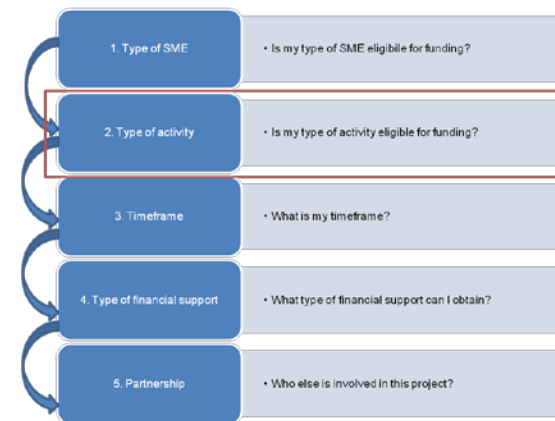
Table 1 EU funding sources: eligible beneficiaries, by type of SME

EU Funds	Technology and service providers around water reuse			SME / Industries with on-site recycling & reuse		Municipal water reuse scheme operators
	Start-ups	SMEs - Technologies	Consultancies	Farm, agri-business	Industry	
H2020	Yes	Yes	Yes	Yes	Yes	Yes
H2020 SMEs	No	Yes	Yes	Yes	Yes	Yes
InnovFin	Yes	Yes	Yes	Yes (for R&D)	Yes (for R&D)	Yes (for R&D)
COSME	Yes	Yes	Yes	Yes	Yes	Yes
LIFE+	Yes	Yes	Yes	Yes	Yes	Yes
ERDF	Yes	Yes	Yes	Yes	Yes	Yes
EAFRD	No	No	In certain occasions	Yes	No	No
EFSI	No	No	No	Yes	Yes	Yes
EIF	Yes	Yes	Yes	Yes	Yes	Yes
EIB	No	No	No	Yes	Yes	Yes

3.2 Is my type of activity eligible for funding?

As previously mentioned, each type of SME might need funding for different types of activities –and this is particularly true for SMEs engaging in research and development, as this category includes different activities. The sections below provide information on the eligibility for funding of the following activities:

- Research and development of innovative technologies;
- Pilot and market replication;
- Commercialization, market-oriented activities and business expansion;
- Technology transfers, exploitation and protection of intellectual property rights;
- Policy analysis and strategy development;
- Installation of an internal water reuse system by farms, agribusinesses and industry;
- Installation of water reuse systems by small and medium water operators;
- Training and development of new skills for the enterprise’s staff;
- Networking activities and enterprise associations.



3.2.1 Research and development of innovative technologies

The following table outlines which EU fund provides support for activities in the area of research and development of innovative technologies:

H2020	Yes	Research and development of innovative technologies can be funded under Horizon 2020. However, many calls require a team of at least three partners: H2020 funds can thus be used for large, collaborative research projects with a wider scope (such as for example the Demoware project itself). Participation of SMEs in research consortia is highly encouraged.
H2020 SMEs	Upon requirements	This instrument is targeted at market-oriented projects and SMEs, with the following characteristics: disruptive innovation, a clear ambition to grow at EU level, a demonstrated knowledge of the target market and a convincing commercialization plan. SMEs need to prove that the project will generate revenues and create jobs. For these characteristics, this instrument is not suited for supporting research and development of new technologies, at least at early stages of the research where the market potential of the new technologies is hardly known. However, if the research and development project includes market development for the new product, this instrument might be applied for.
InnovFin	Yes	InnovFin consists of a series of integrated and complementary financing tools and advisory services offered by the EIB Group, covering the entire value chain of research and innovation (R&I) in order to support investments from the smallest to the largest enterprise. These instruments are specifically tailored to activities dealing with complex products and technologies, unproven markets and intangible assets. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool

COSME	No	COSME is not tailored for research and development activities, as it offers financial instruments to support: (i) better access to finance for SMEs; (ii) access to markets for SMEs; (iii) entrepreneurship; and (iv) more favorable conditions for business creation and growth
LIFE+	Yes	Research and development of new technologies can be supported by LIFE+ funding, provided that research activities are aimed at the practical implementation of the new technology (e.g. in a pilot or demonstration site) and that the technology can be replicated elsewhere. Often, LIFE+ calls are open to consortia composed by more than one partner.
ERDF	Yes	Research & Technological Development (R&TD) activities in all research fields or assistance to R&TD, particularly in SMEs can be supported. Conditions and topics depend on the strategy and priorities agreed for each national/regional operational programme. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).
EAFRD	Yes	Research and development activities are possible to be funded under the EAFRD, in case these target the development of water reuse systems in the agricultural and agri-food sectors. Conditions and topics depend on the strategy and priorities agreed for each national/regional RDP. Consultation with these programme documents is necessary for receiving further details.
EFSI	Yes	EFSI funding also supports research, development and innovation (RDI) activities.
EIF	Upon requirements	Financial products provided by EIF intermediaries are mainly directed to market-oriented activities. Thus, these instruments are not suitable to support the early stages of the development of new products, when market prospects are unclear. However, these instruments might be applied for in case research and development activities have proven market returns.
EIB	No	The focus of EIB financial products is mainly on infrastructures: the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services.



Water reuse project funded by LIFE+: two examples

Water reuse

The Water Reuse project set a definitive solution to unsolved problems of application for recommended Best Available Techniques (BAT) on this type of waste, and it was tested on chemical and food companies, both with strict European regulations regarding emissions. These were normally fulfilled in some cases at high costs and inefficient technologies. Deep and Membrane Filtration, Electro and Photocatalysis Oxidation (EPO) and Solar Panels were combined in a prototype. And all controlled by an intelligent system. WaterReuse implemented, validated and disseminated environmentally sustainable and efficient use of energy, which allows the reuse of water from process effluent. The system reduces water and Carbon footprint. The project started up in October 2013 and ran for two years in the Region of Murcia. Coordination is carried by Gálvez Muñoz Destilerías, SA and has the cooperation of the Centro Tecnológico Nacional de la Conserva y Alimentación.

<http://www.waterreuse.eu/index.php/en/>

OFREA - Improving Water Reuse at the coastal areas by an advanced desalination process

The main objective of the project was to increase the amount of wastewater available for reuse in areas where the salinity of freshwater is a limiting factor. This was achieved by demonstrating the feasibility of Forward Osmosis (FO) technology in the production of safe and high-quality water from treated wastewater for reuse, at a reasonable cost. The project sought to ensure that the amount of energy consumed during the treatment process is 20% lower than the equivalent effluent treatment process using reverse osmosis. The project also aimed to show that FO treatment processes require 15% fewer chemicals for disinfection, pre-treatment and membrane treatment than reverse osmosis treatment processes. The project thus sought to demonstrate a fully automated, robust and environmental-friendly wastewater treatment process using FO technology. The results are being used to promote FO as a viable option for WFD stakeholders. The project ran for three years, from 2013 to 2016.

http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4683&docType=pdf

3.2.2 Pilot and market replication

The following table indicates available funding opportunities regarding pilot and market replication:

H2020	Yes	Pilot and market replication of innovative technologies can be funded under Horizon 2020, provided that it is part of a large collaborative research project. In fact, many H2020 calls require a team of at least three partners: H2020 funds can thus be used for large, collaborative research projects with a wider scope (such as for example the Demoware project itself). Participation of SMEs in research consortia is highly encouraged.
H2020 SMEs	Yes	This instrument provides grants for innovation development and demonstration purposes, provided that activities are clearly market-oriented.

Funding is provided for both feasibility assessment and the following practical demonstration activities.

InnovFin	Yes	InnovFin consists of a series of integrated and complementary financing tools and advisory services offered by the EIB Group, covering the entire value chain of research and innovation (R&I) in order to support investments from the smallest to the largest enterprise. These instruments are specifically tailored to activities dealing with complex products and technologies, unproven markets and intangible assets, thus they can be used in case of pilots with unclear market prospects. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool
COSME	Upon requirements	COSME offers financial instruments to support: (i) better access to finance for SMEs; (ii) access to markets for SMEs; (iii) entrepreneurship; and (iv) more favorable conditions for business creation and growth. Thus, if the pilot and market replication project is clearly aimed at market development for the new product, this instrument might be applied to.
LIFE+	Yes	Pilot and market replication of new technologies can be supported by LIFE+ funding, as these activities are aimed at the practical implementation of a new technology, provided that the pilot it is aimed at replicating the technology elsewhere. Often, LIFE+ calls are open to consortia composed by more than one partner.
ERDF	Yes	Research & Technological Development (R&TD) activities, thus including pilot and market replication, particularly in SMEs can be supported. Conditions and topics depend on the strategy and priorities agreed for each national/regional operational programme. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).
EAFRD	Yes	Pilot and market replication activities are possible to be funded under the EAFRD, in case these target the development of water reuse systems in the agricultural and agri-food sectors. Conditions and topics depend on the strategy and priorities agreed for each national/regional RDP. Consultation with these programme documents is necessary for receiving further details.
EFSI	Yes	EFSI funding also supports research, development and innovation (RDI) activities, thus including pilot and market replication.
EIF	Upon requirements	Financial products provided by EIF intermediaries are mainly directed to market-oriented activities. Thus, if the pilot and market replication project is clearly aimed at market development (and have clear potential market returns) for the new product, this instrument might be applied to.

EIB	No	The focus of EIB financial products is mainly on infrastructures: the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services.
------------	----	--

3.2.3 Commercialization, market-oriented activities and business expansion

The table below summarizes which EU funds support activities regarding commercialization, market-oriented activities and business expansion:

H2020	No	This instrument targets research and development activities, promoting research and innovation action and demonstration activities,
H2020 SMEs	Yes	This instrument is targeted at market-oriented projects and SMEs, with the following characteristics: disruptive innovation, a clear ambition to grow at EU level, a demonstrated knowledge of the target market and a convincing commercialization plan. SMEs need to prove that the project will generate revenues and create jobs. Thus, this instrument is particularly suited for commercialization, market-oriented activities and business expansion. This instrument also provides support for carrying out feasibility assessments.
InnovFin	No	These instruments are specifically tailored to research and innovation activities dealing with complex products and technologies, unproven markets and intangible assets. Thus, they do not apply to commercialization, market-oriented activities and business expansion. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool
COSME	Yes	COSME offers financial instruments to support: (i) better access to finance for SMEs; (ii) access to markets for SMEs; (iii) entrepreneurship; and (iv) more favorable conditions for business creation and growth, and it is thus particularly suited for funding commercialization, market-oriented activities and business expansion.
LIFE+	No	The LIFE+ programme targets project with a clear environmental focus: the general objective of LIFE is in fact to contribute to the implementation, updating and development of EU environmental and climate policy and legislation by co-financing projects with European added value. While its funds can be allocated to projects developing new environmental-friendly technologies (including water reuse) and practices, it does not support commercialization, market-oriented activities and business expansion.
ERDF	Yes	SMEs can be supported in commercialization, market-oriented activities and business expansion. Conditions and topics depend on the strategy and priorities agreed for each national/regional operational programme. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).

EAFRD	Yes	Commercialization, market-oriented activities and business expansion are possible to be funded under the EAFRD, in case these target the development of water reuse systems in the agricultural and agri-food sectors. Conditions and topics depend on the strategy and priorities agreed for each national/regional RDP. Consultation with these programme documents is necessary for receiving further details.
EFSI	Yes	With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities. It also funds research and innovation projects. Thus, projects involving commercialization, market-oriented activities and business expansion of innovative technologies can be supported by this instrument.
EIF	Yes	Financial products provided by EIF intermediaries are mainly directed to market-oriented activities, so they are particularly suited for commercialization, market-oriented activities and business expansion.
EIB	No	The focus of EIB financial products is mainly on infrastructures: the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services.

3.2.4 Technology transfers, exploitation and protection of intellectual property rights

The following table indicates funding opportunities for activities regarding technology transfers, exploitation and protection of intellectual property rights:

H2020	Yes	Technology transfers and cooperation between SMEs and other entities (other SMEs, research institutions, industry) is a basic feature of project funded by H2020, as most calls require that projects are undertaken by consortia of at least three partners. In addition, technology transfer activities, exploitation and protection of IPR can be funded under Horizon 2020, provided that it is part of a large collaborative research project.
H2020 SMEs	Yes	Funding for IPR exploration can be provided in the feasibility assessment phase of a new market-oriented project. IPR is given a particular attention by the SME instrument, as this is targeted to highly innovative projects. A detailed plan for the exploitation and protection of IPR must be included in the application for funding through this instrument (technology development and demonstration phase) –thus, exploitation and protection of IPR is not only funded by the SME instrument, it is actually required. Technology transfer and cooperation between SMEs (or between SMEs and other entities) can also be funded by this instrument.
InnovFin	Maybe	If technology transfer activities, exploitation and protection of IPR are included in a research and innovation project, these might be funded by this instrument (as part of the overall project budget). Technology transfers can also be funded in the form of collaborative projects between SMEs and other entities. To check

whether your activity is eligible for InnovFin funding, you can also fill in the online form:

<http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool>

COSME	Yes	Technology transfers, exploitation and protection of IPR can contribute to improve access to markets for SMEs and to create more favourable conditions for business creation and growth. Thus, these can be funded by this instrument as part of a wider business development project.
LIFE+	Upon conditions	Technology transfers can be funded by the LIFE+ programme, as these are part of a wider project complying with LIFE+ requirements. Moreover, the programme itself often requires the cooperation of SMEs and other entities in project implementation (through consortia). IPR of project results, reports and other project documents are vested in the beneficiaries; however, beneficiaries shall ensure that all documents, patents and know-how directly resulting from the project implementation are made available throughout the EU as soon as they are available, on non-discriminatory and reasonable commercial conditions, for a period of five years after the project's end.
ERDF	Yes	Technology transfer and improvement of cooperation between SMEs, between SMEs and other businesses and universities, post-secondary education establishments, regional authorities, research centres and scientific and technological poles can be funded. The managing authority responsible for the relevant operational programme in your Member State or region will be able to provide details of the support available.
EAFRD	Yes	Technological transfers, including networking could be supported by the EAFRD (e.g., business and technological parks in rural areas, etc.). For more details on whether such options are foreseen for support under your RDP, please consult the respective Managing Authority.
EFSI	Yes	EFSI funding also supports research, development and innovation (RDI) activities, and these can include technology transfers, cooperation with other entities, exploitation and protection of IPR.
EIF	Yes	Financial products provided by EIF intermediaries are mainly directed to market-oriented activities, and these can include technology transfers, cooperation with other entities, exploitation and protection of IPR.
EIB	No	The focus of EIB financial products is mainly on infrastructures: the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services.

3.2.5 Policy analysis and strategy development

The following table summarizes funding opportunities for activities regarding policy analysis and strategy development.

H2020	Yes	The interface between research and policy is a central aspect of H2020. Thus, policy analysis and strategy development can be integral part of research projects funded under H2020 –and the link between research and policy can be an added value of research proposal presented to H2020 calls. Also, service contracts or grants for analytical support to the Commission’s activities are possible.
H2020 SMEs	No	This instrument is targeted at market-oriented projects and SMEs, so it does not apply to this type of activity.
InnovFin	Under some circumstances	Larger projects (at national and multi-country scale) might include a component of strategic development for the water reuse sector or a specific technologies –and SMEs might be involved in these projects. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool
COSME	Yes	COSME supports actions to improve the framework conditions in which enterprises operate, in particular SMEs, by reducing unnecessary administrative and regulatory burdens. Such actions may include measuring the impact of relevant Union law on SMEs, developing smart and business friendly regulation for them and reinforcing the use of the “Think Small First” principle for policy-making at national and regional level.
LIFE+	Yes	LIFE+ projects often make the link between project practical activities (e.g. testing of new technologies and demonstration sites) and policy implications at the national of EU level. Thus, policy analysis and strategy development activities can be funded as part of project activities.
ERDF	Yes	Member States and regions generally launch research contracts for preparatory, monitoring, and evaluation activities of operational programmes, provided this is foreseen in the regional or national programme and within the financial limits of the ERDF Regulation. The managing authority responsible for the relevant operational programme in your Member State/region will be able to provide details. Service contracts for analytical support for the Commission’s activities (in DG Regional Policy and DG Employment) may also be available, though these do not form part of the national or regional operational programmes. Details will be published by the Commission as the need arises on the portal https://etendering.ted.europa.eu/general/page.html?name=home
EAFRD	No	However, depending on the context such support could, for example, be provided under the LEADER approach or in the context of skills acquisition, animation and implementation of local development strategies in rural areas where studies of the area concerned could be funded. For acquiring

information on the possible funding of such activities, consult the respective Managing Authority.

EFSI	No	EFSI provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities. Thus, it does not fund policy analysis and strategy development activities. However, the EIB (the managing body) might seek policy analysis and strategic support through service contracts: in case, these are published on the portal https://etendering.ted.europa.eu/general/page.html?name=home
EIF	No	Financial products provided by EIF intermediaries are mainly directed to market-oriented activities, so this instrument does not apply to policy analysis and strategy development activities.
EIB	No	The focus of EIB financial products is mainly on infrastructures: the EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services. However, the EIB might seek policy analysis and strategic support through service contracts: in case, these are published on the portal https://etendering.ted.europa.eu/general/page.html?name=home

3.2.6 Installation of an internal water reuse system by farms, agribusinesses and industry

The following table provides an overview of available funding opportunities regarding the installation of an internal water reuse system by farms, agribusinesses and industry:

H2020	No	H2020 focuses on research and development only.
H2020 SMEs	Maybe	This instrument is targeted at market-oriented projects and SMEs, with the following characteristics: disruptive innovation, a clear ambition to grow at EU level, a demonstrated knowledge of the target market and a convincing commercialization plan. SMEs need to prove that the project will generate revenues and create jobs. Thus, this instrument might apply to internal water reuse systems, provided that the project complies with H2020 SMEs requirements. This instrument also provides support for carrying out feasibility assessments.
InnovFin	No	These instruments are specifically tailored to research and innovation activities dealing with complex products and technologies, unproven markets and intangible assets. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool
COSME	Maybe	COSME offers financial instruments to support: (i) better access to finance for SMEs; (ii) access to markets for SMEs; (iii) entrepreneurship; and (iv) more favorable conditions for business creation and growth. COSME financial

instruments might support investments in innovative internal water reuse systems

LIFE+	Maybe	Internal water reuse systems by farms, agri-businesses and industries could be funded under the LIFE+ programmes, provided that: (i) they entail a clear environmental improvement in the area; and (ii) new or improved technologies are tested, i.e. the system is implemented as a demonstration site.
ERDF	Yes	ERDF funds can definitely be used to finance internal water reuse systems by farms, agri-businesses and industries, provided that this is included in the strategy and priorities agreed for each national/ regional operational programme. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).
EAFRD	Yes	EAFRD funds can definitely be used to finance internal water reuse systems by farms and agri-businesses, provided that this is included in the strategy and priorities agreed for each national/ regional RDP. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).
EFSI	Yes	With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities.
EIF	Yes	EIF financial products can be used to finance innovative internal water reuse systems.
EIB	Yes	The EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services. In the field of agriculture and rural development , funding is provided to support investment in rural infrastructures and innovative resource management.

3.2.7 Installation of water reuse systems by small and medium water operators

The table below summarizes which EU funds support activities regarding installation of water reuse system by small and medium water operators.

H2020	No	H2020 focuses on research and development only.
H2020 SMEs	Upon requirements	This instrument is targeted at market-oriented projects and SMEs, with the following characteristics: disruptive innovation, a clear ambition to grow at EU level, a demonstrated knowledge of the target market and a convincing commercialization plan. SMEs need to prove that the project will generate revenues and create jobs. Thus, this instrument might apply to internal water reuse systems, provided that the project complies with H2020 SMEs

requirements. This instrument also provides support for carrying out feasibility assessments.

InnovFin	No	<p>These instruments are specifically tailored to research and innovation activities dealing with complex products and technologies, unproven markets and intangible assets.</p> <p>To check whether your activity is eligible for InnovFin funding, you can also fill in the online form: http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool</p>
COSME	Upon requirements	<p>COSME offers financial instruments to support: (i) better access to finance for SMEs; (ii) access to markets for SMEs; (iii) entrepreneurship; and (iv) more favorable conditions for business creation and growth. COSME financial instruments might support investments in innovative internal water reuse systems</p>
LIFE+	Under certain conditions	<p>Water reuse systems could be funded under the LIFE+ programmes, provided that: (i) they entail a clear environmental improvement in the area; and (ii) new or improved technologies are tested, i.e. the system is implemented as a demonstration site.</p>
ERDF	Yes	<p>ERDF funds can definitely be used to finance water reuse systems, provided that this is included in the strategy and priorities agreed for each national/ regional operational programme. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).</p>
EAFRD	Yes	<p>EAFRD funds can definitely be used to finance water reuse systems for irrigation, or for the supply of agribusinesses, provided that this is included in the strategy and priorities agreed for each national/ regional RDP. You can consult the published programme or contact the managing authority for the operational programme for further details (see chapter 5 on how to apply for funding).</p>
EFSI	Yes	<p>With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities.</p>
EIF	Yes	<p>EIF financial products can be used to finance innovative water reuse systems.</p>
EIB	Yes	<p>The EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services. In the field of agriculture and rural development, funding is provided to support investment in rural infrastructures and innovative resource management.</p>

3.2.8 Training for staff and development of new skills for the enterprise's staff

The following below summarizes available funding opportunities regarding the training for staff and development of new skills for the enterprise's staff

H2020	Yes	Training activities can be funded by H2020 if they are part of a wider research project.
H2020 SMEs	Yes	This instrument provides free-of-charge business coaching in order to support and enhance the firm's innovation capacity and help align the project to strategic business needs. Optional Innovation and Business Development Coaching is offered in parallel to help SMEs: (i) enhance the company's innovation capacity; (ii) align the project to the identified business development strategy; and (iii) develop the commercial/economic impact and long term sustainability.
InnovFin	No	These instruments are specifically tailored to research and innovation activities dealing with complex products and technologies, unproven markets and intangible assets. Thus, they are not tailored for training and development of new skills.
	Yes	<p>However, a specific InnovFin programme -InnovFin Advisory- is in place to guide its clients on how to structure their R&I projects in order to improve their access to finance. The service helps them to capitalize on their strong points and adjust elements such as their business model, governance, funding sources and financing structure to improve their access to finance. In the long run, this increases their chances of being implemented.</p> <p>To check whether your activity is eligible for InnovFin funding, you can also fill in the online form:</p> <p>http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool</p>
COSME	Yes	COSME backs the implementation of the Entrepreneurship 2020 Action Plan through a wide range of activities. These include mobility exchanges, research, best practices diffusion and pilot projects in areas such as entrepreneurship education, mentoring or the development of guidance and support services for new and potential entrepreneurs, including young, women and senior entrepreneurs.
LIFE+	Under certain conditions	Projects funded under the LIFE+ programmes are practical projects aimed at protecting/ restoring nature, biodiversity and the environment, as well as at acting against climate change. However, training activities may be funded as part of a wider LIFE+ project.
ERDF	Yes	The development of life-long learning systems and strategies in firms, training and services for employees to step up their adaptability to change can be funded, depending on strategy and priorities of the operational programme

for your Member State or region. The same goes for the design, introduction and implementation of reforms in education and training systems, updating skills of training personnel with a view to innovation and a knowledge based economy, developing human potential in the field of research and innovation, in particular through post-graduate studies and training of researchers, and networking activities between universities, research centres and businesses. Please check for details in the relevant national operational programme and get in touch with the managing authority.

EAFRD	Yes	Support for training and advice could be provided under the EAFRD, for farmers, forestry managers and food processors, and for economic actors operating in rural areas. Training of staff involved in the preparation and implementation of a local development strategy can also be funded. For more details, please consult your rural development programme or get in touch with your rural development Managing Authority.
EFSI	No	With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities.
EIF	No	EIF is a provider of risk finance for SMEs across Europe.
EIB	No	The EIB support investment to ensure reliable provision of sustainable and affordable water and wastewater-related services.

3.2.9 Networking activities and enterprise associations

The table below indicates which EU funds support activities regarding networking activities and enterprise associations.

H2020	Yes	Networking activities and enterprises associations can be funded by H2020 if these are part of a wider research project. For example, as part of the Demoware project the industry association for the European water reuse sector –Water Reuse Europe- has been created and launched.
H2020 SMEs	No	Networking activities are not particularly targeted by this instrument.
InnovFin	No	Networking activities are not particularly targeted by this instrument. To check whether your activity is eligible for InnovFin funding, you can also fill in the online form : http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool
COSME	Non-financial	COSME funds the Enterprise Europe Network (EEN) consisting of over 600 offices in more than 50 countries helping SMEs find business and technology partners, understand EU legislation and access EU financing.

LIFE+	Yes	Networking activities and enterprises associations can be funded by LIFE+ if these are part of a wider LIFE project.
ERDF	Yes	Transnational and interregional cooperation projects as well as networking and exchange of experience among public actors is funded under the different “European territorial co-operation” programmes (e.g; Interreg programmes). Normally, these large territorial projects involve several partners (e.g. public authorities, universities, private partners) including SMEs.
EAFRD	Yes	Networking of rural businesses can be supported along with networking of local partnerships (also for implementation of innovative approaches in rural areas). The support available will depend on the strategy and priorities set out in the relevant national/regional rural development programme.
EFSI	No	Networking activities are not particularly targeted by this instrument.
EIF	No	Networking activities are not particularly targeted by this instrument.
EIB	No	Networking activities are not particularly targeted by this instrument.

3.3 What is the timeline of the fund’s application?

When you need funding for your activities, the timeframe can be a crucial aspect of the selection of a suitable funding source. Different funding sources provide financing according to different time schedule –and this is particularly important for European funding sources, as several funds have specific timeframes for applications and for delivering the requested funds.

This section considers the suitability of funding sources with respect to three aspects:

- Can I apply anytime?
- Is there a quick funding decision?
- Can I decide myself how long the project will last?



3.3.1 Can I apply anytime?

The following table provides an overview if SMEs can apply anytime for the funding opportunity or only at certain times:

H2020	No	There are only certain time-frames for the submission of project proposals under each specific “call for proposals”. In many cases such calls are only published every one to two years and then not necessarily for all the possible themes. Calls for proposal can be accessed here:
--------------	----	--

<http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/index.html>

H2020 SMEs	No	There are only certain time-frames for the submission of project proposals under each specific “call for proposals”. Several calls are issues each year (eight calls for both Phase 1 and 2 are open in the period 2016-2017), and each call concerns a specific topic. Calls for proposals can be accessed here: http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/search/search_topics.html#c,topics=topicFileName,callIdentifier,callTitle,identifier,title,description,tags,flags/s/SME/1/1/0&+title/desc
InnovFin	Depends	InnovFin funds are managed either directly or by financial intermediaries. You can apply to funds managed directly at any moment. If funds are managed by intermediaries, you should check with intermediaries in your countries.
COSME	Depends	Some COSME funds are managed by financial intermediaries, so you should check with them for application time schedule and procedures. In other cases, funds are allocated through specific calls –COSME calls can be consulted here: http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/cosme/master_calls.html
LIFE+	No	There are only certain time-frames for the submission of project proposals under each specific “call for proposals”. Normally, one call is published each year. The 2016 call for proposal can be accessed here: http://ec.europa.eu/environment/life/funding/life.htm
ERDF	Depends	The timeline for application depends on the ERDF programme relevant for your region and type of activity. Please contact the relevant managing authority for more information
EAFRD	Depends	This depends on the RDP relevant for your region and type of activity. Please contact the relevant managing authority for more information.
EFSI	Yes	Application to EFSI follow the usual procedure for obtaining EIB loans. No special formalities are involved for the submission of applications to the EIB for individual loans. Project promoters are required simply to provide the Bank's Operations Directorate with a detailed description of their capital investment together with the prospective financing arrangements. Initial contacts to discuss a proposed project can be in any form, by telephone, fax, e-mail or letter. The project promoter should provide sufficient information to allow the EIB to assess whether the project adheres to EIB lending objectives and has a well-developed business plan.
EIF	Depends	Financial products are provided to SMEs by intermediaries in each country. You should then check with the financial intermediary which is the closest to your location.

EIB	Yes	No special formalities are involved for the submission of applications to the EIB for individual loans. Project promoters are required simply to provide the Bank's Operations Directorate with a detailed description of their capital investment together with the prospective financing arrangements. Initial contacts to discuss a proposed project can be in any form, by telephone, fax, e-mail or letter. The project promoter should provide sufficient information to allow the EIB to assess whether the project adheres to EIB lending objectives and has a well-developed business plan.
------------	-----	--

3.3.2 Is there a quick funding decision?

The table below summarizes if SMEs can expect a quick funding decision:

H2020	No	Projects have to undergo an evaluation and approval process, followed by a period of contract negotiations. Therefore, from the date of submission of the proposal to the signature of the contract, frequently a 9 month time span or more must be foreseen and the first payments will only be made thereafter.
H2020 SMEs	Not clear	The duration of the evaluation and approval process is unclear.
InnovFin	Relatively	The EIB's due diligence process involves: (i) the assessment of the company's or project's eligibility; (ii) techno-economic viability; (iii) environmental soundness; and (iv) the promoter's financial situation and perspectives. Subject to the completeness of the information, documentation available and the nature of the financing, the time elapsing between a first contact with the EIB and the signature of a financing contract will typically vary between 3 and 6 months. For InnovFin SME Guarantee and InnovFin MidCap Guarantee, which are delivered through financial intermediaries, the latter's due diligence process will determine the time elapsing between first contact and signature of a financing contract.
COSME	Not clear	Some COSME funds are managed by financial intermediaries, so you should check with them for the duration of the evaluation and approval process. When funds are allocated through specific calls, the duration of this process is unclear.
LIFE+	No	Projects have to undergo an evaluation and approval process, followed by a period of contract negotiations. Therefore, from the date of submission of the proposal to the signature of the contract, some months must be foreseen and the first payments will only be made thereafter.
ERDF	Depends	It depends on the national or regional operational programme. Please contact the managing authority for your region for details.
EAFRD	Depends	It depends on the national or regional RDP. Please contact the managing authority for your region for details.

EFSI	Relatively	The EIB's due diligence process involves: (i) the assessment of the company's or project's eligibility; (ii) techno-economic viability; (iii) environmental soundness; and (iv) the promoter's financial situation and perspectives. Subject to the completeness of the information, documentation available and the nature of the financing, the time elapsing between a first contact with the EIB and the signature of a financing contract will typically vary between 3 and 6 months.
EIF	Depends	Financial products are provided to SMEs by intermediaries in each country. You should then check with the financial intermediary which is the closest to your location.
EIB	Relatively	The EIB's due diligence process involves: (i) the assessment of the company's or project's eligibility; (ii) techno-economic viability; (iii) environmental soundness; and (iv) the promoter's financial situation and perspectives. Subject to the completeness of the information, documentation available and the nature of the financing, the time elapsing between a first contact with the EIB and the signature of a financing contract will typically vary between 3 and 6 months.

3.3.3 Can I decide myself how long my project will last?

The following table indicates if there is a certain project duration required for funding and if SMEs can choose project duration:

H2020	Yes, with limits	However within certain limits, which are normally indicated in the work programme. Typically, the length of medium to large scale projects will be in a range from 2 to 4 years, while smaller projects may last 1 year or occasionally even less.
H2020 SMEs	Yes, with limits	Phase 1 projects (feasibility assessments) are typically funded over a 6-months period. Phase 2 projects (development and demonstration) are typically funded for a 1- or 2-years period.
InnovFin	Not clear	The duration of eligible projects is unclear.
COSME	not clear	The duration of eligible projects is unclear.
LIFE+	Yes; with limits	However within certain limits, which are normally indicated in the work programme. Typically, the length projects will be in a range from 2 to 4 years.
ERDF	Yes, with limits	The duration of a project depends on the ERDF programme relevant for your region and type of activity. In any case, the funding cannot continue beyond 2020. Please also note that there is a 3 to 5 years minimum time during which an investment or jobs created by SMEs have to be maintained after the end of

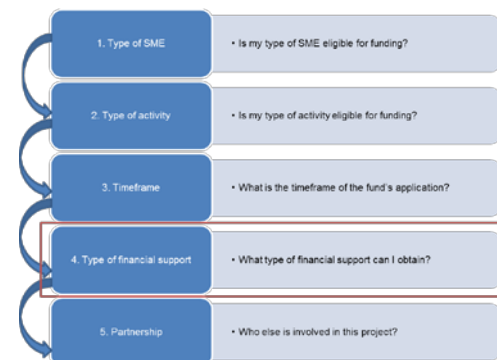
the ERDF support and the project cannot undergo substantial modifications affecting its nature or its implementation conditions. Please contact the relevant managing authority for more information.

EAFRD	Yes, with limits	It depends on a number of criteria and the content of your rural development programme. Funding could be provided under the current RDP by 2020. There is also a requirement that investment cannot undergo substantial modifications affecting its nature or its implementation conditions for a period of 5 years following the investment. The relevant managing authority should be contacted for more information.
EFSI	Not clear	The duration of eligible projects is unclear.
EIF	Depends	Financial products are provided to SMEs by intermediaries in each country. You should then check with the financial intermediary which is the closest to your location.
EIB	Not clear	The duration of eligible projects is unclear.

3.4 What type of financial support can I obtain?

Different funding sources made funding available in different forms – or different resource pathways, as illustrated in chapter 2 of this guide. In particular, three options are explored here:

- Grants (non-repayable funding, normally complemented by co-funding from other sources);
- Loans/ guarantees/ venture capital;
- Service contracts (awarded through procurement procedures).



3.4.1 Provision of Grants

The following table indicates which EU funds provide grants to SMEs:

H2020	Yes	The main instrument of support under H2020 is grants. Consortia receive pre-financing at the project start and further payments following the acceptance of interim and final reports. The projects are co-financed by the EU and the participants. For research and development projects the share of the EU contribution can be up to 100% of the total eligible costs. For innovation projects up to 70% of the costs, with the exception of non-profit legal entities which can
--------------	-----	---

also receive up to 100 % in these actions. In all cases indirect costs will be covered by a flat rate of 25% of the direct costs.

H2020 SMEs	Yes	Phase 1 projects: EUR 50,000 (lump sum) per project (70% of total cost of the project) Phase 2 projects (development and demonstration): an amount in the indicative range of EUR 500,000 and 2,5 million (70% of total cost of the project as a general rule)
InnovFin	No	No grant financing for SMEs
COSME	No	No grant financing for SMEs
LIFE+	Yes	The main instrument of support under the LIFE programme is grants. The EU co-financing rate is maximum 60% of the total eligible project costs –thus, applicants must ensure a co-financing share.
ERDF	Yes	The procedures for the allocation of ERDF to projects differ depending on the relevant national or regional programme. Application procedures (e.g. ongoing application and project selection, calls for proposals or competitions with fixed deadlines) are decided by the Managing Authority, depending on what is most appropriate for the activities in question. Project selection criteria are agreed by each programme’s Monitoring Committee and are published (e.g. on managing authority websites).
EAFRD	Yes	The procedures for the allocation of rural development funds to projects differ depending on the relevant national or regional rural development programme. Application procedures (e.g. ongoing application and project selection, calls for tender, etc.) are decided by the Managing Authority and the Paying Agency, depending on what is most appropriate for the activities in question. Project selection criteria are agreed by each programme’s Monitoring Committee and are published.
EFSI	No	No grant financing for SMEs
EIF	No	No grant financing for SMEs
EIB	No	No grant financing for SMEs

3.4.2 Provision of Loans/ guarantees/ venture capital

The table below indicates which EU funds provide loans, guarantees or venture capital to SMEs:

H2020	Yes	Under the 'Industrial Leadership' pillar, this specific objective will help companies and other types of organisation engaged in research and innovation (R&I) to gain easier access, via financial instruments, to loans, guarantees, counter-guarantees and hybrid, mezzanine and equity finance.
--------------	-----	---

H2020 SMEs	In-kind Support	The SME instruments offers access to a wide range of innovation support services and facilitated access to risk finance, to facilitate the commercial exploitation of the innovation.
InnovFin	Yes	InnovFin provides guarantees and venture capital to SMEs.
COSME	Yes	COSME has a budget of over €1.3 billion to fund these financial instruments that facilitate access to loans and equity finance for SMEs where market gaps have been identified. Part of the COSME budget funds guarantees and counter-guarantees for financial intermediaries (e.g. guarantee organisations, banks, leasing companies) to help them provide more loan and lease finance to SMEs (Loan and Guarantees Facility – LGF). This facility also includes the securitisation of SME debt-finance portfolios. Part of the COSME budget is dedicated to investments in risk-capital funds that provide venture capital and mezzanine finance to expansion and growth-stage SMEs, in particular those operating across borders (Equity Facility for Growth – EFG).
LIFE+	No	Private Finance for Energy Efficiency (PF4EE) provides loans only to investments in energy efficiency.
ERDF	Yes	The ERDF includes the activation of Financing Instruments in the programming period 2014-2020: loans, microcredit, guarantees and equity instruments. However, the activation of these instruments is decided and managed by the Managing Authority, depending on what is most appropriate for the activities in question. You should then check with the relevant managing authorities whether these instruments have been activated in the current operational programme, and for which measures/ activities.
EAFRD	Yes	The EAFRD includes the activation of Financing Instruments in the programming period 2014-2020: loans, microcredit, guarantees and equity instruments. However, the activation of these instruments is decided and managed by the Managing Authority, depending on what is most appropriate for the activities in question. You should then check with the relevant managing authorities whether these instruments have been activated in the current RDP, and for which measures/ activities.
EFSI	Yes	With EFSI support, the EIB Group provides loans for economically viable projects where it adds value, including projects with a higher risk profile than ordinary EIB activities. It focuses on sectors of key importance where the EIB Group has proven expertise and the capacity to deliver a positive impact on the European economy, including strategic infrastructures and the expansion of renewable energy and resource efficiency (e.g. water supply and wastewater treatment projects). EFSI funds can also be allocated to independent funding sources which can then finance water reuse projects –thus generating additional funding opportunities (see example in the case study box below).

EIF

Yes EIF offers the following financial products: (i) Equity products: EIF facilitates to equity for SMEs across the entire life cycle of corporate innovation; (ii) Debt products - Guarantees and credit enhancement: EIF cooperates with a wide range of financial intermediaries such as banks, leasing companies, guarantee funds, mutual guarantee institutions, promotional banks or any other financial institution providing financing to SMEs, or guarantees for SME financing; and (iii) Microfinance: it consists mainly of micro-loans (less than EUR 25,000) tailored to micro-enterprises (91% of all European businesses) and people who would like to become self-employed but are facing difficulties in accessing the traditional banking services. It is mainly directed to start-ups, so it might be not so relevant for financing water reuse projects.

EIB

Yes The EIB provides long-term loan financing to both public and private clients in the water sector, using a range of instruments. Among the instruments made available by the EIB, here we focus on financing instruments, and namely:

- **Project loans:** the EIB lends to individual projects for which total investment cost exceeds EUR 25m: thus, the EIB makes loans to large projects only.
- **Intermediate loans:** the EIB makes loans to local banks and other intermediaries which subsequently "on-lend" to the final beneficiaries, including SMEs. Loan conditions can be flexible in terms of the size, duration, structure etc. Lending decisions remain with the intermediary institutions, which also retain the financial risk of the on-lending. EIB has no contractual relationship with final beneficiaries



Examples of use of EFSI funds which can be related to water reuse projects

So far, EFSI funds have not been used yet to finance water reuse projects, but in once case they were used to finance water supply and wastewater treatment programmes: in fact, EFSI finances part of the investment programme of Irish Water in the period 2015-2018.

EFSI also provided part of the capital to Quaero European Infrastructure Funds, a private fund which targets investments in small to medium-sized infrastructure projects in Europe with a focus on western and northern Europe (which is presented in chapter 4 of these guidelines). This is an example of how these funds can be allocated to independent funding sources, thus generating additional financing opportunities for water reuse projects.

EIB funds have also been used to partly finance regional investment funds for infrastructure projects. Some of these funds are particularly relevant for SMEs operating in the water reuse sector, and they are illustrated in the case study boxes below.



Ludgate Resources Efficiency Fund II - UK, France, Benelux, Germany, Scandinavia and Poland (EIB Funds)

The Ludgate Resource Efficiency Fund II (REF) is a public-private fund targeting resource efficiency projects in Europe, and in particular in the phases of research and innovation and infrastructure development. The fund targets the solid waste, wastewater and energy sectors. LREF aims at investing in a portfolio of 10-15 projects in the above mentioned sectors. The Fund will focus on the UK, France, Benelux, Germany, Scandinavia and Poland. The operation would contribute to meeting EU recycling targets and renewable energy (RE) objectives as outlined in the EU Directives, thereby strengthening the economic value of waste water and solid waste.

Source and more information: <http://www.ludgate.com/portfolio/>



Viveracqua Hydrobond – Veneto Region, Italy (EIB Funds)

The Viveracqua Hydrobond is a public-private fund targeting innovative financing solution for small and medium-sized local water utilities in the Italian region of Veneto.

The investments are expected to have a positive net environmental and social impact, considering their focus on compliance and resource efficiency.

Source and more information: <http://www.eib.org/projects/pipeline/2013/20130515.htm>; <http://www.viveracqua.it/presentazione.asp>



Medium Sized Utilities Programme Loan – Italy (EIB Funds)

It is a public programme loan for funding capital expenditure investments in water, waste, district heating, electricity and gas networks and public lighting by local utilities, targeting in particular research and development and infrastructure development.

The water and wastewater components should contribute towards ensuring security of supply, resource efficiency and improving the quality of the water bodies receiving the treated wastewaters.

Source: <http://www.eib.org/projects/pipeline/2013/20130451.htm>



EISER CEE Infrastructure Fund – Central and Eastern Europe

This public-private investment fund focuses on infrastructure projects in Central and Eastern Europe. The fund aims to build a diversified portfolio of assets both across geographies and sectors (energy, water, sewerage, transports, telecoms).

Source and more information: <http://www.eiserinfrastructure.com/about/>

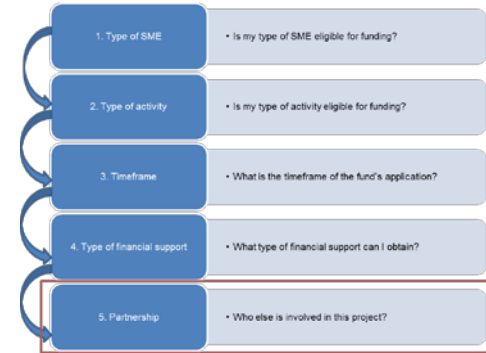
3.4.3 Service contracts

The following table indicates which EU funds are able to award service contracts.

H2020	Yes	Certain activities under research projects can be sub-contracted by the project coordinators (no direct applications to the Commission). In addition, the most frequent type of service contracts awarded by the Commission are those for independent experts for the evaluation of H2020 proposals and for preparing studies, as well as support services such as the organisation of conferences (but these types of service contracts are not so relevant for SMEs in the water reuse sector).
H2020 SMEs	No	No service contracts available for SMEs
InnovFin	No	No service contracts available for SMEs
COSME	No	No service contracts available for SMEs
LIFE+	Yes	Certain activities under LIFE projects can be sub-contracted by the project coordinators (no direct applications to the Commission).
ERDF	Yes	Mostly study, expert and organisational support contracts. Most of these contracts are awarded through the managing authorities as part of their technical assistance allocations, but also DG Regional Policy and DG Employment, Social Affairs and Equal Opportunities conduct calls for tender for service contracts.
EAFRD	Yes	It is possible depending on the content of your rural development programme. For more information, please contact the respective rural development managing authority.
EFSI	Possible	The EIB (the managing body) might seek policy analysis and strategic support through service contracts: in case, these are published on the portal https://etendering.ted.europa.eu/general/page.html?name=home
EIF	No	No service contracts available for SMEs
EIB	Possible	The EIB might seek policy analysis and strategic support through service contracts: in case, these are published on the portal https://etendering.ted.europa.eu/general/page.html?name=home

3.5 Partnership: Who else is involved in the project?

Many of today's activities along the water reuse project cycle can only be conducted by different entities (e.g. industries, research institutions, etc.) joining forces and competencies to stimulate innovation, maximise impact and ensure sustainability. According to a survey performed by Oxford Economics², more than half of the SME respondents (out of 2,100 surveyed) are forming partnerships with local suppliers outside their borders, and they are driving innovation and growth by collaborating via online business networks and platforms. A straightforward example of this is a large research project involving several partners, such as for example the Demoware project itself.



The sections below provide information on the eligibility for EU funding of the following partnership option:

- Nobody else is involved (apart from one single contractor/beneficiary);
- Partners only in my country or region;
- Partners in other EU MS or from the EEA;
- Partners from non-EU MS.

3.5.1 Nobody else is involved (apart from one single contractor/ beneficiary)

The table below indicates if a project with only one single contractor/beneficiary is eligible for the funding source.

H2020	No	Most H2020 calls require a partnership structure of at least three partners.
H2020 SMEs	Yes	Individual SMEs can obtain support through this instrument.
InnovFin	Yes	Individual SMEs can obtain support through this instrument.
COSME	Yes	Individual SMEs can obtain support through this instrument.
LIFE+	No	LIFE+ calls normally require a team of more than one partner.
ERDF	Yes	An individual SME can obtain ERDF support. Conditions and topics depend on the national/regional programme, so please consult the operational programmes in your Member State or region for details.
EAFRD	Yes	An individual SME can obtain EAFRD support. Conditions and topics depend on the national/regional programme, so please consult the operational programmes in your Member State or region for details.
EFSI	Yes	Individual SMEs can obtain support through this instrument.
EIF	Yes	Individual SMEs can obtain support through this instrument.

² http://www.oxfordeconomics.com/Media/Default/Landing%20pages/SAP%20SME/Research/SME_Global_Mindset.pdf

EIB Yes Individual SMEs can obtain support through this instrument.

3.5.2 Partners only in my country or region

The following table indicates if projects involving partners from the same EU MS or region are eligible.

H2020	No	H2020 calls normally require that project partners are located in different EU MS (often, also one or two partners from non-EU countries are accepted).
H2020 SMEs	Yes	Two or more SMEs can apply for support as a consortium. However, please note that only one grant in the form of a lump sum of EUR 50,000 will be awarded per selected proposal, which means that this lump sum needs to be shared amongst the consortium partners.
InnovFin	Two or more	Not so clear from available information, but in principle it should be possible.
COSME	Not clear	Not so clear from available information, but in principle it should be possible.
LIFE+	Yes	As LIFE+ projects are normally practical projects linked to a specific site, partners are often from the same country. However, the participation to the consortium of a partner from another EU MS is encouraged.
ERDF	Yes	Projects involving only partners from the same Member State or region are the norm under the ERDF.
EAFRD	Yes	Projects involving partners from the same Member State or region can be supported under the EAFRD.
EFSI	Not clear	Not so clear from available information, but in principle it should be possible.
EIF	not clear	Not so clear from available information, but in principle it should be possible.
EIB	Not clear	Not so clear from available information, but in principle it should be possible.

3.5.3 Partners in other EU MS or from the EEA

The table below indicates if consortiums of SMEs from different EU MS or from the EEA are eligible for the funds.

H2020	Yes	Transnational partnerships from at least 3 different EU Member States are the rule for H2020, unless specified differently in the call.
--------------	-----	---

H2020 SMEs	Yes	Two or more SMEs from different EU MS can apply for support as a consortium. However, please note that only one grant in the form of a lump sum of EUR 50,000 will be awarded per selected proposal, which means that this lump sum needs to be shared amongst the consortium partners.
InnovFin	Not clear	Not so clear from available information, but in principle it should be possible.
COSME	Not clear	Not so clear from available information, but in principle it should be possible.
LIFE+	Yes	As LIFE+ projects are normally practical projects linked to a specific site, partners are often from the same country. However, the participation to the consortium of a partner from another EU MS is encouraged.
ERDF	Yes	Funding for projects presented jointly by partners from at least two Member States is available through EU territorial co-operation programmes of the ERDF in which public actors cooperate either on a bilateral basis across a border (cross-border cooperation) or on a multi-lateral basis in larger areas (transnational cooperation). Finally, projects presented jointly by partners from different regions throughout the whole European Community are covered by the programme for interregional cooperation ("INTERREG IV C" on innovation, knowledge economy, environment and risk prevention) or by the programme for cooperation networks and exchange of experience on integrated urban development issues (URBACT)
EAFRD	Under certain conditions	For rural areas, the European Agricultural Fund for Rural Development (EAFRD) provides support for transnational partnership, which is mostly conducted via the bottom-up approach of the Leader initiative. The networking between Local Action Groups (LAGs) is strongly reinforced in the new programming period. Additional sharing of experience, results and good practices is done in the framework of the European Rural Development Network.
EFSI	Not clear	Not so clear from available information, but in principle it should be possible.
EIF	Not clear	Not so clear from available information, but in principle it should be possible.
EIB	Not clear	Not so clear from available information, but in principle it should be possible.

3.5.3. Partners from non-EU MS

The following table indicates if projects involving partners from non-EU MS are eligible for the funds.

H2020	Yes	All entities from the countries associated to FP7 can participate and obtain funding under the same conditions as the entities from the Member States. The current associated countries are: Albania, Bosnia & Herzegovina, Croatia, Faroe Islands, the Former Yugoslav Republic of Macedonia, Iceland, Israel, Lichtenstein, Norway, Montenegro, Serbia, Switzerland and Turkey. In addition, all calls are open to participation of research entities from third countries (non Member States and non associated countries).
H2020 SMEs	No	Only SMEs from EU MS can apply for support.
InnovFin	Yes	InnovFin products are available in EU MS and in associated countries (Albania, Bosnia & Herzegovina, Croatia, Faroe Islands, the Former Yugoslav Republic of Macedonia, Iceland, Israel, Lichtenstein, Norway, Montenegro, Serbia, Switzerland and Turkey).
COSME	No	Only SMEs from EU MS can apply for support.
LIFE+	No	Only partners from EU MS can apply for support.
ERDF	No	Concerning programmes under the “European territorial cooperation” objective, up to the limit of 10% of the amount of the ERDF contribution to the programme concerned, expenditure incurred in implementing projects on the territory of countries outside the European Community can be eligible, where the projects are for the benefit of the regions of the Community.
EAFRD	No	Only SMEs from EU MS can apply for support.
EFSI	No	Only SMEs from EU MS can apply for support.
EIF	No	Only SMEs from EU MS can apply for support.
EIB	No	Only SMEs from EU MS can apply for support.

3.6 Scorecard

To summarize relevant outcomes of the questions in the checklist, you can fill in the scorecard provided below. For each key questions, put an “X” on the EU financing options that meets your needs and requirements, or put a “?” if you are not sure that the instrument can apply to your case. Then you can clearly see for which funding your SME and activity are eligible, and whether the characteristics of the funding source suit your needs – if one or more lines are all filled with “X” and/or a few “?”, then the funding source(s) in question is (are) what you are looking for.

Instrument	Is my SME eligible for funding?	Is my type of activity eligible?	Does my timeframe fit my needs?	Does the type of financial support fit my needs?	Is my partnership structure eligible for funding?
H2020					
H2020 SMEs					
InnovFin					
COSME					
LIFE+					
ERDF					
EAFRD					
EFSI					
EIF					
EIB					

Figure 6 Scorecard for the selection of the EU funding source(s) that best fits your needs and characteristics

4 Information on application procedures

Once you have identified and selected the most suitable EU funds, and have confirmed your eligibility, the next step is to proceed with your application. The purpose of this section is to inform about where you can find information about the application procedure.

H2020

Two year work programmes announce the specific areas that will be funded by Horizon 2020. Look out for them on the online Participant Portal as they can be used as a calendar for the calls for proposals ('calls'), to be published during the year. The Participant Portal is your entry point for electronic administration of EU-funded research and innovation projects, and hosts the services for managing your proposals and projects throughout their lifecycle. Each call gives more precise information on the questions that the Commission would like you to address in your proposals. All calls can be found in the EU's Official Journal – the official source for all EU documents – as well as on the Participant Portal.

The Participant Portal also provides detailed information on the application process, such as for example: how to find partners, how to develop your proposal and how to submit your proposal to the Commission. The Participant Portal can be accessed at the following link:

<http://ec.europa.eu/research/participants/portal/desktop/en/home.html>

H2020 SMEs

Proposals can be submitted when there is an open call –open calls are very frequent for both Phase 1 and 2. Proposals must fall under the themes specified in the workplan for the reference period (e.g. workplan for 2016-2017). Proposals need to demonstrate that the project will generate revenues and create jobs.

The Workplan for 2016-2017 can be accessed here:

http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-sme_en.pdf#page=7

Additional information on how to apply can be found at the following links:

<https://ec.europa.eu/easme/en/sme-instrument-essential-tips-your-application>

<http://ec.europa.eu/easme/en/news/sme-instrument-6-lessons-learnt-first-evaluation-are-also-tips-applicants>

<https://ec.europa.eu/programmes/horizon2020/en/h2020-section/sme-instrument>

If you still cannot find the information you need, you can check the FAQ page:

<https://ec.europa.eu/digital-single-market/en/sme-instrument-frequently-asked-questions>

InnovFin

To check whether your activity is eligible for InnovFin funding and to apply, you can fill in the online form:

<http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool>

The online form will ask you some questions about your activity (e.g. how many employee you have, how much funding you are looking for) and then provides links to financial intermediaries providing InnovFunding financial instruments.

COSME

Information on how to apply and on open calls can be found here:

<https://ec.europa.eu/easme/en/cosme>

This page provides information on open calls; by clicking on a specific call, future applicants can find all application documents and detailed information on how to proceed with the application.

LIFE+

Information on open calls and on the application process can be found here:

<http://ec.europa.eu/environment/life/funding/life.htm>

This page provides information on open calls; by clicking on a specific call, future applicants can find all application documents and detailed information on how to proceed with the application.

ERDF

Application procedures are established and administered by the relevant managing authority. Some have an ongoing procedure, others accept applications at certain times only. This should be checked directly with the managing authority.

The relevant managing authority for each country or region in the EU can be found here:

http://ec.europa.eu/regional_policy/en/atlas/managing-authorities/

EAFRD

Payments are delegated to the Member States, who themselves work through national or regional paying agencies. The responsible entity may differ from one country to the other, so SMEs interested in EAFRD funding for water reuse should thus check which authority manages the Fund in the relevant country, and get instructions on the application and awarding procedure.

Application procedures are established and administered by the relevant managing authority. Some have an ongoing procedure, others accept applications at certain times only. This should be checked directly with the managing authority.

The relevant managing authority for each country or region in the EU can be found here:

http://ec.europa.eu/regional_policy/en/atlas/managing-authorities/

EFSI

Project promoters can contact the EIB directly – they do not need to pass via a local authority or government. Project promoters should follow the usual EIB loan application procedures, which can be accessed here:

http://www.eib.org/projects/cycle/applying_loan/index.htm

SMEs interested in EFSI transactions financed via the EIF should refer to information on EIF financial intermediaries. EIF financial intermediaries by country can be found here:

http://www.eif.org/what_we_do/where/index.htm

EIF

Access to fund is ensured through EIF intermediaries, which are also in charge of receiving and evaluating applications. The list of intermediaries by country can be accessed here:

http://www.eif.org/what_we_do/where/index.htm

EIB

To apply for a loan, SMEs must address their request to EIB intermediaries. The list can be found here: <http://www.eib.org/products/lending/intermediated/list/index.htm>

5 References

- European Commission, 2016. Guidelines on Integrating Water Reuse into Water Planning and Management in the context of the WFD. Document endorsed by EU Water Directors at their meeting in Amsterdam on 10th June 2016. Common Implementation Strategy for The Water Framework Directive and the Floods Directive. http://ec.europa.eu/environment/water/pdf/Guidelines_on_water_reuse.pdf
- European Commission, 2011. “new practical guide to EU funding opportunities for research and innovation”.
http://ec.europa.eu/research/participants/data/ref/fp7/204008/practical-guide-rev3_en.pdf
- General information on EU funding for water reuse: <http://ec.europa.eu/environment/water/reuse-actions.htm>
- EU funding and support to European SMEs: the Executive Agency for Small- and Medium-sized Enterprises (EASME): <https://ec.europa.eu/easme/en#pillar-smesupport>
- The Enterprise Europe Network: <https://een.ec.europa.eu/>
- The portal of the European Innovation Action Plan, including information on funding for innovation: https://ec.europa.eu/environment/ecoap/about-action-plan_en
- General information on access to EU funding: <http://europa.eu/youreurope/business/funding-grants/access-to-finance/>
- Horizon 2020: <https://ec.europa.eu/programmes/horizon2020/en/what-work-programme>
<http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/index.html>
<http://ec.europa.eu/research/participants/portal/desktop/en/home.html>
- Horizon 2020 SME Instrument: <http://ec.europa.eu/easme/en/horizons-2020-sme-instrument>
http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/search/search_topics.html#c,topics=topicFileName,callIdentifier,callTitle,identifier,title,description,tags,flags/s/SME/1/1/0&+title/desc
<https://ec.europa.eu/easme/en/sme-instrument-essential-tips-your-application>
<http://ec.europa.eu/easme/en/news/sme-instrument-6-lessons-learnt-first-evaluation-are-also-tips-applicants>
<https://ec.europa.eu/programmes/horizon2020/en/h2020-section/sme-instrument>
<https://ec.europa.eu/digital-single-market/en/sme-instrument-frequently-asked-questions>
http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-sme_en.pdf#page=7
- InnovFin: <http://www.eib.org/products/blending/innovfin/index.htm>
<http://www.eib.org/products/helpingyouinnovate/index.htm?launchtool>
- COSME: <https://ec.europa.eu/easme/en/cosme>
http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/cosme/master_calls.html
- LIFE+: <http://ec.europa.eu/environment/life/about/index.htm>
<http://ec.europa.eu/environment/life/funding/life.htm>

Water reuse project financed by LIFE+: <http://www.waterreuse.eu/index.php/en/> -
http://ec.europa.eu/environment/life/project/Projects/index.cfm?fuseaction=search.dspPage&n_proj_id=4683&docType=pdf

ERDF: http://ec.europa.eu/regional_policy/index.cfm/en/funding/erdf/ -
http://ec.europa.eu/regional_policy/en/information/legislation/regulations/2007-2013/#erdfregulation
http://ec.europa.eu/regional_policy/en/atlas/managing-authorities/

EAFRD: http://ec.europa.eu/agriculture/rural-development-2014-2020/index_en.htm
http://ec.europa.eu/regional_policy/en/atlas/managing-authorities/

EFSI: <http://www.eib.org/efsi/>
http://www.eib.org/projects/cycle/applying_loan/index.htm
http://www.eif.org/what_we_do/where/index.htm

EIF: http://www.eif.org/who_we_are/index.htm
http://www.eif.org/what_we_do/where/index.htm

EIB: <http://www.eib.org/about/index.htm>
<http://www.eib.org/products/lending/intermediated/list/index.htm>

ACQUEAU: <http://www.acqueau.eu/about-acqueau/>

Veolia VIA: <http://www.veolia.com/en/veolia-group/profile/innovation/open-innovation>

ISLE Utilities: <http://www.isleutilities.com/>

Eurostars: <https://www.eurostars-eureka.eu/>

EU Tender Portal: <https://etendering.ted.europa.eu/general/page.html?name=home>

Ludgate Resource Efficiency Fund II (REF): <http://www.ludgate.com/portfolio/>

Viveracqua Hydrobond: <http://www.eib.org/projects/pipeline/2013/20130515.htm>;
<http://www.viveracqua.it/presentazione.asp>

Medium Sized Utilities Programme Loan: <http://www.eib.org/projects/pipeline/2013/20130451.htm>

EISER CEE Infrastructure Fund: <http://www.eiserinfrastructure.com/about/>