



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No730313

Briefing document for the second Policy Lab meeting

The second Policy Lab meeting focuses on three main items based on the results of the previous meeting [1] and the International workshop in Milano, held on June 2017

- 1) A preliminary scheme of the **Memorandum of Understanding** discussed during the "Co-creation" round table in the workshop in Milano has been circulated among the partners (Annex 1); as explained in the specific introduction and more detailed in the workshop minutes available on the SCREEN web site [2], the aim is to achieve a preliminary general agreement about a possible pilot initiative, in order to ask the European Commission to finance it. Partners regions have been requested to forward the scheme to their internal offices managing structural funds, in order to receive feedback to be discussed in the next Policy Lab scheduled on 11th of October 2027. Annex 1 also contains some comments that should be analysed before starting the meeting.
- 2) SCREEN issued the deliverable¹ **D2.3 "SYNERGY GRIDS - A guideline to identify cross regional potential synergies"** [3]; even if technical specifications have been discussed in several webinars and email exchanges, the Policy Lab is requested to discuss and validate the general approach.
- 3) A first set of **"Assessment criteria for circular economy projects" (Annex 2)** has been issued; regional partners are requested to comment them and to try their application by comparing two already financed projects in their regions. Feedbacks about the comparison are expected within 10th of November, in order to be discussed in the international Workshop in London, but the general approach will be discussed in the second Policy Lab. Annex 2 also contains some comments received by one partner.

The agenda will be based on the discussion of the 3 above items (≈50 min. each one): it will be distributed one week before the meeting.

REFERENCES

- [1] Minutes of the 1st Policy Lab http://www.screen-lab.eu/documents/1st_POLICYLAB_minutes.pdf
- [2] Minutes of the International Workshop held in Milano <http://www.screen-lab.eu/deliverables/D4.1.pdf>
- [3] SYNERGY GRIDS - A guideline to identify cross regional potential synergies" <http://www.screen-lab.eu/deliverables/D2.3.pdf>

¹ This deliverable, as well as all the other ones, has to be intended as "preliminary" until its official acceptance by EASME



Preliminary draft for a Memorandum of Understanding for a PILOT synergic use of structural funds and EU Research funds targeted to circular economy projects

Table of Contents

1	INTRODUCTION.....	2
2	Memorandum of Understanding for a Pilot synergic use of structural funds and EU Research funds targeted to circular economy projects	4
ARTICLE 1:	PURPOSE	4
ARTICLE 2:	DEFINITIONS.....	4
ARTICLE 3:	SPECIFIC MEASURE	5
ARTICLE 4:	CONTRIBUTION BY THE EUROPEAN COMMISSION.....	5
ARTICLE 5:	ELIGIBLE APPLICANTS	5
ARTICLE 6:	CONDITIONS FOR FINANCING	5
ARTICLE 7:	FINANCING PROCEDURES.....	5
ARTICLE 8:	PARTICIPATING REGIONS.....	5
ARTICLE 9:	RENEWAL AND AMENDMENTS	6
ARTICLE 10:	APPROVAL SIGNATURES.....	6

1 INTRODUCTION

SCREEN is an H2020 coordinating and supporting action participated by 17 European regions, aiming at the definition of a replicable systemic approach towards a transition to Circular Economy in EU regions within the context of the Smart Specialization Strategy. The project also deals with the identification and implementation of operational synergies between investments in research and innovation under Horizon 2020, the Structural Funds and the European Investment Funds.

SCREEN has a specific task for the establishment and operation of a "Laboratory operations on Policies" (Policy Lab), coordinated by Lazio region (coordinator of the SCREEN project) and participated by:

- Representative(s) of each project partner.
- Members of the SCREEN Advisory Board: ACR+, EURADA and ERRIN
- Representative(s) of DG REGIO, DG RTD, DG ENV, DG GROW and European Institute of Innovation and Technology
- EASME, with the role of observer

During the first session of the Policy Lab, held in Brussels on May 2017, a possible scheme of synergic use of funds was discussed: even if it has been considered interesting by the participants, several doubts about the actual feasibility raised from both participating regions and Commission's representatives.¹ However, participants agreed about the following potential common advantages, for both regions and the European Commission (that is requested to give a financial contribution):

- Each region finances only its own participants and encourages them to have an international approach towards circular economy.
- H2020 and/or the new FP9 will have more funds.
- Regional stakeholders will have more opportunities in H2020/future FP9.
- Money moved into the specific measure by each region will result automatically and correctly spent within its structural funds.
- No efforts spent for selection and evaluation: the four above criteria will be simply applied to the ranking list issued by the Commission after the normal evaluation of the proposals.
- No evaluation efforts and costs: the scheme will use the ranking list of the H2020 (or future FP9) proposal submitted under the circular economy topics but not financed.
- No double funding.

During the first International workshop, held in Milano on June 2017², it was agreed to go a step ahead by the regions' side and then show to the Commission the results, in order to push them to face their internal issues; the goal is to have a Memorandum of Understanding (MoU) signed by the regions where it is stated that they are available to establish in their structural funds a specific measure for international circular economy projects, provided that

¹ Briefing document and minutes of the first Policy Lab are available at www.screen-lab.eu/policy-lab.html

² Minutes will be soon available in the project website, within the Deliverable D4.1

certain conditions are fulfilled, particularly the one concerning the co-financing by the European Commission.

A preliminary document containing the concepts of the Memorandum of Understanding (MoU) will be circulated among the project partners, that will discuss it internally and provide feedbacks. Based on the feedbacks received a preliminary draft of the MoU will be discussed during the Policy Lab scheduled in Brussels on next 11th of October 2017.

The following sections contains the preliminary draft of the MoU **that is expected to be returned with comments and suggestions within the next 29th of September**, in order to be re-arranged by taking into account all the feedbacks and presented at the next Policy Lab.

According to what was discussed and agreed during the above mentioned round table, the MoU can be signed also by other European regions not participating at the SCREEN project.

Regions having structural funds managed by their national government are requested to discuss this MoU with their national Authorities and request for their feedback

Draft for comments

2 Memorandum of Understanding for a Pilot synergic use of structural funds and EU Research funds targeted to circular economy projects

BETWEEN

Region xxxxx – Office managing structural funds

Address.....

represented by[Name and position]

AND

Region xxxxx – Office managing structural funds

Address.....

represented by[Name and position]

AND

[.....repeated for each region signing the MoU]

The regions, represented by the above mentioned administrations, agree to the following:

ARTICLE 1: PURPOSE

The purpose of this initiative is to support and enhance the participation of the regional stakeholders at international projects dealing with circular economy and particularly to those projects raising by cross-regional value chains within the context of the Smart Specialization Strategy.

The signatory regions agree that a common organized effort to support cross-regional projects will have a noticeable “leverage effect” to the transition to the circular economy

ARTICLE 2: DEFINITIONS

“*Measure*”: a specific measure established by each region under its own structural funds

“*Common pot*”: the total amount of money put by the regions in their “Measures”, increased by the Contribution of the European Commission

[.....other eventual definitions]

ARTICLE 3: SPECIFIC MEASURE

The signatories of this document agree to establish, **in a pilot way**, a specific measure under their structural funds dealing with “international circular economy projects”. The amount of money allocated in such a specific measure is decided by each region in a fully independent way. The sum of the money put by each region in the specific measure is defined as “Common Pot”

Commento [HM1]: specify

Commento [CP2]: PILOT WAY means that such a specific measure can be adopted only for a specific period of time, in order to evaluate its effectiveness and then decide if and how to continue its implementation. Since the money put by each region will be used to finance only partners belonging to that region, there is the need to foresee what happens if at the end of the period no project has been presented by partners belonging to that region.

ARTICLE 4: CONTRIBUTION BY THE EUROPEAN COMMISSION

The European Commission should top up the pot up to **XX% (to be defined)** of the value of the Common Pot. A specific request will be delivered to the Commission after the signature of this MoU and a negotiation will be conducted within the SCREEN Policy Lab. The EC contribution will be assigned to each region's measure proportionally to the original amount.

Commento [HM3]: Important to have an approximation of this percentage before we can have a serious discussion. Is it a considerable part or just symbolic?

Commento [CP4]: Even if NOT symbolic, but operative, it is up to each Region to decide the amount.

The maximum amount can be identified by investigating how many H2020 projects having regional partners in the Consortium have been well ranked, but not financed in the past year. The sum of the budgets of such regional partners in the non-financed projects is a good indicator of the maximum amount.

The minimum amount can be identified by assuming that only one project with only one regional partner will be submitted and assigning an average amount of money. In my idea such a minimum could be around 50.000 Euro, but the discussion is open.

ARTICLE 5: ELIGIBLE APPLICANTS

The eligible applicants for the measure defined in the article 3 above are legal persons established in the territory of the region that are partner in a project submitted under H2020 (or future FP9) dealing with circular economy, well ranked but not financed due to a lack of specific H2020 funds.

ARTICLE 6: CONDITIONS FOR FINANCING

Applicants can be financed by the specific measure of each region if they comply with the following conditions:

Commento [HM5]: Mention „Seal of Excellence“?

Commento [CP6]: NOT only: we are speaking about projects with multiple partners belonging to different European Regions

- Applicants are partners in a H2020 proposals with a high evaluation score (e.g. 12/15, **to be discussed in the Policy Lab**), not financed due to a lack of funds
- Proposals' partner(s) should belong to those regions that filled-in the “common pot”.
- The amount put by each region, increased by the proportional share of the EC contribution, should be enough to finance its own proposal partner(s)

ARTICLE 7: FINANCING PROCEDURES

Signatory regions will agree about a smooth financing procedure that will avoid evaluation efforts and costs: the scheme will use the ranking list of the H2020 (or future FP9) proposal submitted under the circular economy topics. (**details to be discussed in the Policy Lab**).

ARTICLE 8: PARTICIPATING REGIONS

The initiative described in this Memorandum of Understanding is open to other regions not directly involved in the SCREEN project, as well as to those Countries with a national management of Structural Funds

ARTICLE 9: RENEWAL AND AMENDMENTS

This memorandum of Understanding is intended as a first step of negotiation with the European Commission and is expected to be more detailed after each cycle of discussions. Any amendments to this agreement shall be in writing and signed by the authorized representatives of all participating administrations.

What the parties sign on the date indicated.

ARTICLE 10: APPROVAL SIGNATURES

Date, place, stamp and signature

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ANNEX 2



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No730313



Internal report

Preliminary definition of assessment criteria for circular economy projects

Main Author(s)	VELTHA, on behalf of Tuscia University
Dissemination level	Public, available on the project web site
Date	24 July 2017

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1. Introduction

SCREEN is an H2020 coordinating and supporting action participated by 17 European regions, aiming at the definition of a replicable systemic approach towards a transition to Circular Economy in EU regions within the context of the Smart Specialization Strategy. The project also deals with the identification and implementation of operational synergies between investments in research and innovation under Horizon 2020, the Structural Funds and the European Investment Funds.

The project has a specific task for the establishment and operation of a "Laboratory operations on Policies" (Policy Lab), that foresees *"a discussion about a simple set of at least 10 indicators for an objective common ranking of Circular Economy activities"*.

During the first Policy Lab meeting, held on 4th of May 2017 in Brussels, the representative of DG ENV informed that the Commission is delivering a monitoring framework document including a set of indicators; therefore, she suggested to wait for the above mentioned document in order to avoid confusion resulting from merging different indicators.

In order to avoid any possible confusion, SCREEN will wait for the Commission's document and in the meanwhile the work will be focused on "assessment criteria for circular economy projects" that will be linked in the future to the indicators presented by the Commission.

This document explains the general criteria and the first 4 specific criteria: **it is intended to be a basis for the discussion** within the project and particularly during the second policy lab meeting. **SCREEN regions are requested to select two project already financed and to apply the comparison explained in the following section 4, in order to have concrete feedbacks for the discussion.**

2. General criteria

Each regional authority managing structural funds already has its own assessment criteria for the evaluation and selection of projects. **The criteria to be defined are those additional ones dealing with specific circular economy projects**, to be used for the sole purpose of evaluating the "circularity" of one project respect to another one and help the assessors to make a clear and transparent ranking list

Additional criteria should be easy to manage by both the proposers and the assessors: they should be based on clear and verifiable indicators.

3. Specific criteria

3.1 Criterion 1: "Mass of waste re-introduced in the production cycle" (Kg/year)- This is the first and main criterion complying with the basic principle of the circular economy approach. For those projects foreseeing a change in the production process, it can be substituted by **"Avoidance of waste produced" (Kg/year)**

3.2 Criterion 2: "Net Energy balance respect to the previous system" (KWh/year). For those projects foreseeing a change in the production process with recovery of energy previously lost, it can be substituted by **"Amount of energy recovered" (KWh/year)**

3.3 Criterion 3: "Percentage of renewable energy used in the process"(from 0 to 100%)

3.4 Criterion 4 (Socio economic criterion): “Net balance of jobs, given by the number of new jobs created by the circular economy project, minus the number of jobs lost in the previous linear process”. In case of maintenance of workers after a new training to increase their skills, the number of trainees should be indicated.

4. Application of the additional criteria

At the present stage the first set of criteria has to be discussed and fine-tuned before starting the discussion of their actual and harmonized application; therefore the first step is just a comparison between two already financed projects, through the following table. The specific weight of each criterion (that will lead to a practical ranking) will be discussed within the Policy Lab.

Table of comparison	Project A	Project B	Metrics
Criterion 1 (mass of waste reused or avoided)			<i>Kg/ year</i>
Criterion 2 (net energy balance)			<i>KWh/year</i>
Criterion 3 (% of renewable energy)			<i>%</i>
Criterion 4 (Net balance of jobs)			<i>number</i>
Sub-criterion 4 a (number of jobs maintained through new training)			<i>number</i>

(please add two lines of synthetic description of project A and B

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Subject: RE: SCREEN core activities: third operative message

projects

Dear Mr. Polidori,

The criteria you mentioned (e.g. mass of waste reused etc.) were selected very good for the evaluation of circular economy projects.

Because many projects promote the circular economy indirectly and do not provide data for evaluation according to criteria that you have chosen, we suggest additional evaluation of projects based on subjective estimates according to the following criteria:

Criteria	Estimate
Impact of a project on the waste sorting encouraging and / or waste sorting	<ul style="list-style-type: none"> The project has an impact – 10 points The project has no impact – 0 points
Impact of a project on the waste recycling encouraging and / or waste recycling	<ul style="list-style-type: none"> The project has an impact – 10 points The project has no impact – 0 points
Impact of the project on the production of fuel from waste	<ul style="list-style-type: none"> The project produces fuel from waste – 10 points The project does not produce fuel from waste – 0 points
Impact of the project on the use of new technologies that contribute to the circular economy	<ul style="list-style-type: none"> The project implements the new technology – 10 points The project does not implement the new technology – 0 points
Implementation of "green procurement" in the project	<ul style="list-style-type: none"> "Green procurement" is included – 10 points "Green procurement" is not included – 0 points
Influence of the project on the greenhouse gas emissions	<ul style="list-style-type: none"> The project has an impact on reducing or re-use greenhouse gas – 10 points The project has not an impact on reducing or re-use greenhouse gas – 0 points
The inclusion of relevant stakeholders education on circular economy	<ul style="list-style-type: none"> Education is included – 10 points Education is not included – 0 points

For all additional information we are at your disposal.

Best regards,