

Increasing savings from the consumption of primary energy produced from high-efficiency cogeneration systems

Funding programme	<ul style="list-style-type: none"> • <i>EU Funds – „Large Infrastructure” Operational Programme – Priority Axis 6 – Promoting clean energy and energy efficiency in the context of sustaining the economy with lower carbon emissions</i> • <i>POIM/120/6/4/Call for projects to support investment in high efficiency cogeneration</i>
Programme operator	<ul style="list-style-type: none"> • <i>Ministry for European Funds</i>
Programme objectives	<ul style="list-style-type: none"> • <i>Promote activities that reduce carbon emissions and increase energy efficiency by installing new capacity / modernising existing capacity for high-efficiency cogeneration.</i> • Increase in installed capacity • Decreasing the use of natural gas in the total consumption of fuels
Eligible projects	<ul style="list-style-type: none"> • <i>Building/upgrading power plants for high-efficiency cogeneration (maximum 8 MWe) on natural gas and biomass</i> • <i>Building/ upgrading of high-efficiency cogeneration that uses waste gases (maximum 8 MWe) from industrial processes</i>
Eligible beneficiaries	<ul style="list-style-type: none"> • Industrial SMEs and large enterprises which have an energy consumption exceeding 200 toe/year and that can prove the useful necessity of thermal energy for its industrial processes with duration of at least 4,000 hours/year. • The appointed representative of an industrial park, a legal person that has an energy consumption exceeding 200 toe/year and that can prove the useful necessity of thermal energy for its industrial processes with a duration of at least 4,000 hours/year, and for investments in energy production from high-efficiency co-generation. The former can be one of the following: <ul style="list-style-type: none"> ○ The administrator of industrial park, a legal person formed in accordance with Law nr. 186/2013 regarding the formation and management of industrial parks, has through the management and related services contract concluded with a resident an obligation to supply thermal energy for the residents of the industrial park, or ○ The energy distributor of the industrial park (operator, holder of a thermal energy distribution license, which ensures the distribution of thermal energy for heating and/or for the consumption of hot water from a thermal station to the energy consumers), if a thermal energy supply contract exists between the industrial park administrator and the energy distributor of the industrial park.
Applicant eligibility	<ol style="list-style-type: none"> 1. The applicant (company, industrial park administrator or thermal energy distributor) is a legal person that is legally founded in a state member and is a company/ industrial park administrator / distributor of thermal energy in an industrial park 2. The applicant is active in the industrial sector , carries out activities in the sectors related to the SECTION B - Extractive Industries and SECTION C - Manufacturing / is an appointed representative of an industrial park (the park manager or the energy distributor of the park) and carries out economic activities in the sectors Related to SECTION D - Electricity, Heat, Gas, Hot Water and Air Conditioning Production. For the residents of the industrial park, at least 75% of park residents carry out activities in areas covered by the NACE codes mentioned (Section B and C). 3. For industrial parks, there is a management contract and related services between the park manager and the residents of the park where the obligation to provide energy for the park residents is stipulated, or there is an energy supply contract between the park manager and the energy distributor of the park, on the basis of the management contract and related services 4. The applicant company / industrial park records energy consumption of over 200 tep / year and may prove a useful heat demand for industrial processes with a duration of at least 4,000 h / year 5. The applicant company / administrator of the industrial park falls into one of the categories: micro enterprise / small enterprise / medium enterprise / large enterprise 6. The applicant does not fall into one of the situations exempt from the guide (he is not in default, bankruptcy, is not in difficulty etc). 7. The applicant must demonstrate: <ul style="list-style-type: none"> • Its implementation capabilities through documents relating to the “Implementation Unit of the Project” • Technical capacity to support project activities. • The financial capacity to implement the project through the solvency ratios or the ratio of Total Debt to Equity to be less than 0.5 in the last financial year. If the applicant does not meet this criterion, the applicant must submit a letter of credit issued by a banking institution on the provision of a credit for project co-financing and the non-eligible expenditures of the project 8. The applicant has recorded net profit or operating profit in the last financial year 9. The applicant justifies the need to finance the project through state aid (the incentive effect)

Project eligibility

1. Project activities aim at the construction / modernization of high-efficiency cogeneration power plants with an installed capacity of up to 8MWe (including waste gas) based on the demand for useful heat and demonstrate the contribution to the results and the result indicators of POIM
2. The project involves at least one eligible activity, ie the purchase of plant / equipment for the construction / modernization of high-efficiency cogeneration plants; Or constructions related to the project for the production of cogeneration energy related to upgraded equipment
3. The project's implementation period cannot exceed 3 years from the signing of the funding contract and the date of 31.12.2023.
4. The project aims for investments in new **high-efficiency cogeneration** units or modernization of existing ones
5. Cogeneration is highly efficient and cogeneration technologies are those provided by Directive 2012/27 / EU.
6. In the case of cogeneration based on natural gas or using waste gases from industrial processes, the total rated thermal input is less than 20 MW.
7. In the case of biomass cogeneration, fossil fuels are used at starting and stopping and up to a maximum of 10% of the total combustion (biomass + carrier gas) as a combustion support.
8. The total annual (electrical and thermal) energy produced in the high-efficiency cogeneration plant must be consumed by at least 60% by its owner / by the industrial park residents in their own industrial processes, apart from their own technological consumption (CPT). In the case of electricity produced in a cogeneration system that is not consumed for the maintenance of the energy generation process and within the own industrial process at the level of the beneficiary enterprise of the financing to be delivered to the NPS (up to 40%), the Feasibility study will specify the information / technical data and the costs related to the electrical connection required for the supply to SEN
9. The project is located in the less developed regions: West, North-West, North-East, South-East, South, South-West, Center.
10. **The total eligible cost** of the project does not exceed the total amount of **EUR 50 million** and the amount of funding requested does not exceed **EUR 15 million**.
11. The investment / investment in the project has not benefited from public funding in the last 5 years prior to the date of submission of the grant application, except preliminary studies (pre-feasibility study, geo-topographic analysis, feasibility study, Technical project, execution details).
12. The ownership / concession / management / superfluency of the existing real estate / capacities where the investment is made will be demonstrated during the project implementation and including for a period of **five years** after its completion.

Eligible costs

- Expenses for land acquisition and **land preparation**:
 - Expenditure for land acquisition, with or without construction
 - Expenses for land improvement
 - Spending on environmental protection and bringing it to its original state
- Expenses to **provide utilities**
- **Construction site costs**:
 - Expenditure on construction work and installations related to site organization
 - Expenditure related to the organization of the construction site
- Expenses for **design and technical assistance**:
 - Expenses for obtaining authorizations
 - Design and engineering
 - Expenditures for management of execution consultancy
 - Expenditure with technical assistance from the designer during the execution period
 - Expenditures for site supervisors
- **Basic investment expenses**:
 - Expenditure for buildings and installations
 - Expenditure for equipment (equipment with and without installation)
 - Expenses with intangible assets
- Expenditure on **technological samples, tests and handover to the beneficiary**:
 - Expenses for the training of operating personnel
 - Expenditure on technology samples and tests
- **Unexpected costs**

Ineligible costs

- expenditure related to the in-kind contribution
- depreciation expense
- expenditure on the purchase of buildings already built
- lease expenses
- lease expenses other than those provided for general administrative expenses

	<ul style="list-style-type: none"> • expenditure on the purchase of means of transportation • general administration expenses • debtor interest except those relating to grants awarded in the form of an interest subsidy or guarantee fee • other fees related to credits • purchase of second-hand equipment • fines, penalties and court costs and arbitration • the costs for the operation of the investment objectives • expenditures incurred for investment objectives executed on its own account
Budget for submission	<ul style="list-style-type: none"> • Budget: EUR 63,6 million
The intensity and volume of the grants	<ul style="list-style-type: none"> • The maximum value of a grant awarded for a project is EUR 15,000,000. • The intensity of the support measures cannot exceed: <ul style="list-style-type: none"> ○ 80% of the project's eligible costs, for micro-enterprises and small enterprises ○ 70% of the project's eligible costs, for medium-sized enterprises ○ 60% of the project's eligible costs for large enterprises
Call for submission	<ul style="list-style-type: none"> • Submission of projects: continuous • Call launch date: 16.05.2017 • Project submission start date: 17.07.2017 • Project submission end date: 31.12.2019
	<ul style="list-style-type: none"> • Standard administrative documents; • Qualitative documents (Feasibility Study, Application Form, etc.); • Submission of project via MySMIS (online platform for project submissions; digital signature mandatory).
Other relevant information	<ul style="list-style-type: none"> • Projects must accumulate at least 70 points (quality threshold) to enter the selection phase for grants. • Projects implemented in Bucharest – Ilfov region are not eligible • So as to support the objectives of the Danube Strategy, supplementary points will be awarded to projects located in the 12 counties bordering the Danube (Caraş-Severin, Mehedinţi, Dolj, Olt, Teleorman, Giurgiu, Călăraşi, Ialomiţa, Brăila, Galaţi, Tulcea, Constanţa) also for projects implemented in Valea Jiului, zona Roşia Montană – Munţii Apuseni

Information presented in this presentation have been obtained from the Applicant's Guide (available for public consultation) for the funding programme, as published on the Ministry of European Funds' website, hence our liability is limited in the context thereof.

- ▶ To benefit from a preliminary verification of your project's eligibility, please provide us with a few relevant details in [our online questionnaire](#), and we will contact as soon as possible.
- ▶ For any details or additional information, please contact us.

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