

Successful strategies for public funding of projects

Rom Advice

From Romania to the
European marketplace



**Foreign Investment Projects (FIP)
Consulting Group**

Linking Opportunities™

[Successful strategies...

- Looking at the public funding process, from the point of view of the project owner/beneficiary:
 - How to define the right project(s)?
 - How to identify eligible funding?
 - How to justify the project financially (business case)?
 - How to build a consortium if that is required?
 - The importance of supporting project documentation
 - The relationship with the government bodies...
 - Why work with a consulting partner?
 - The role of a financial institution
 - The follow-up to actually obtain the money...

How to define the right project(s)?

- A project, a real project!
 - Good idea, business goal, clear benefits, straightforward!
 - SMART: simple, measurable, achievable, realistic, timely
- A realistic, acceptable project...
 - Budget in line with expectations/market
 - Objectives in line with the funding programme
 - Project complies with local and European regulations
- An idea that can be understood, communicated
 - Well written and complete
 - From concept to implementation
 - Understandable for the evaluators

How to identify eligible funding?

- Where & Who?
 - Know who is involved
 - Talk to an official contact point (pre-evaluation)
- What is the funding for? (categories of expenditure)
 - R&D, innovation and entrepreneurship, information society
 - Infrastructure, transport, energy
 - Adaptability of workforce (life-long learning), access to employment and sustainability, social inclusion, etc.
- How to select the right programme?
 - Make the right choice whenever more than one line of funding is available
 - E.g., Competitiveness has many facets...

How to justify the project financially?

- Internal view (project owner/beneficiary)
 - Funded project = Investment decision
 - Convincing business case
 - Objectives & Plan
 - Cost & Benefits
 - Feasibility & Risk
- External view (Authority)
 - Funded project = Public spending
 - Convincing business case
 - Financial strength over the duration of the project
- Have a 'Plan B'
 - Should you not get the funding, how will you proceed?

How to build a consortium?

- Consortium
 - Coalition of independent organizations working towards mutually beneficial goals
- Improving the odds...
 - Complementary capabilities (R&D, certification, size)
 - Project attractiveness (to the funding authority)
- Important factors
 - Multiple geographies: (cross) regional partnerships
 - Types of partners: academic, local authorities, etc.
 - Strength of the project coordinator
 - Project management & administrative coordination

Supporting project documentation

- Project content
 - Majority of projects involve in-depth research
 - A concise story & appendices
- Form and style
 - Compliant with the administrative requirements
 - Understandable for the evaluators
- Administrative compliance
 - A nightmare?
 - Criminal records, sworn statements, etc.
 - Completeness...
 - Incomplete proposals are not evaluated!

The relationship with the administration

- Before - informal
 - Know the Management Authority
 - Communicate with the official contacts
 - Intermediate bodies' role includes advice & pre-evaluation
 - Appraise the project's likelihood to obtain funding...
- During - formal
 - Strict rules – tendering procedures
 - Official Q&A process – publication to all parties
- After - conformity
 - Need to fulfill the requirements (deliverables) to actually receive the funds...

Why work with a consulting partner?

■ Roles & Responsibilities

- Link organizations – projects – authorities
- Knowledge of available funding, mechanisms, eligibility criteria, process, documentation, etc.
- Remove the burden of funding from the project owner/beneficiary

■ Services

- Assessment: funding advice & information
- Bid management: from concept to funding
 - Proposal writing including all required documentation
 - Relationships within consortium & all parties involved
- Project support: from funding to implementation

The role of a financial institution

- Because...
 - The road to public funding is long and tedious
 - The cost of a proposal is not to be neglected
 - The actual transfer of the funds is long-term
 - Non-eligible expenses need to be funded too
- Therefore...
 - Involve a financial institution early in the process
 - Build a relationship of trust – it is WIN-WIN!
 - Openly discuss ‘Plan B’
 - Don’t make the funding process a cash-flow nightmare...

Actually obtaining the money...

- Only allowed to claim for 'actual, economic and necessary expenditure' ...
 - Supported by timesheets
 - Proven by agreed deliverables
 - Since the official start date of the project
 - Any previous work will normally not be considered
- Experience of the project coordinator
 - Project management
 - Administrative rigor/compliance

THANK YOU!



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