



# Find Your EU Funding Programme for the Environment

*Supporting the environment  
under the  
2021-2027 multiannual  
financial framework  
and NextGenerationEU*



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# List of Abbreviations

<b>AFIF</b>	Alternative Fuels Infrastructure Facility
<b>CAP</b>	common agricultural policy
<b>CEF</b>	Connecting Europe Facility
<b>CF</b>	Cohesion Fund
<b>CINEA</b>	European Climate, Infrastructure and Environment Executive Agency
<b>DNSH</b>	do no significant harm
<b>CF EAFRD</b>	European Agricultural Fund for Rural Development
<b>EAGF</b>	European Agricultural Guarantee Fund
<b>EEA</b>	European Economic Area
<b>EIA</b>	environmental impact assessment
<b>EIB</b>	European Investment Bank
<b>EIC</b>	European Innovation Council
<b>EIF</b>	European Investment Fund
<b>EMFAF</b>	European Maritime, Fisheries and Aquaculture Fund
<b>ERDF</b>	European Regional Development Fund
<b>ESF+</b>	European Social Fund Plus
<b>ETS</b>	emissions trading system
<b>Green ASSIST</b>	Green Advisory Service for Sustainable Investment Support
<b>IF</b>	Innovation Fund
<b>JASPERS</b>	Joint Assistance to Support Projects in European Regions
<b>JTF</b>	Just Transition Fund
<b>JTM</b>	Just Transition Mechanism
<b>MA</b>	managing authority
<b>MF</b>	Modernisation Fund
<b>MFF</b>	multiannual financial framework
<b>MF</b>	Modernisation Fund
<b>NGO</b>	non-governmental organisation
<b>PM10</b>	particulate matter with a diameter of 10 microns or less
<b>PSLF</b>	public sector loan facility
<b>RRF</b>	Recovery and Resilience Facility
<b>RRP</b>	recovery and resilience plan
<b>SIP</b>	strategic integrated project
<b>SMEs</b>	small and medium-sized enterprises
<b>SNAP</b>	strategic nature projects
<b>TAIEX</b>	Technical Assistance and Information Exchange
<b>TSI</b>	Technical Support Instrument

# Glossary

**Environment-specific projects.** This term refers to projects whose main and often single objective is the improvement of one or more aspects of the environment

**Environmental integration (of projects).** This term refers to the integration of environmental considerations in a cross-cutting manner into the project cycle. The integration of environmental considerations into a project is often referred to as 'environmental mainstreaming'.

**Funding programmes.** This term refers to multiannual financial framework and NextGenerationEU funds, as well as to the EU emission trading system-funded Innovation Fund and Modernisation Fund, covered in this guide.

**Beneficiaries of funding programmes.** This term refers to the various types of project promoters that obtain funds/financing to implement their projects. These can be private or public entities, research organisations, small and medium-sized enterprises, etc.

**Project promoters.** This term refers to both public and private actors, who seek EU funding or financing for their projects.

Chapter 1:

# Introduction

The EU's financial support for the environment is spread across many different EU funding programmes. While the structure of the EU's 2021–2027 multiannual financial framework (MFF) has been simplified in comparison with previous periods to facilitate stakeholders' access to funding and financing opportunities, more work is needed to further promote the uptake and efficient use of EU funding for the environment. This guide contributes to this work by presenting an overview of the EU funding and financing opportunities under the 2021–2027 MFF and NextGenerationEU, as well as technical support opportunities, for projects contributing to the environmental objectives of the **European Green Deal**<sup>1</sup>. Such projects can benefit the environment directly (e.g. projects to protect water or air from pollution) or indirectly by integrating environmental aspects in a cross-cutting manner into non-environmental projects (e.g. increasing resource efficiency in enterprises, promoting the use of renewable energy in construction projects or accounting for the protection of biodiversity in infrastructure projects).

*The European Green Deal is the Commission's commitment to tackling climate- and environment-related challenges. It aims to transform the EU into a fair and prosperous society with a modern, resource-efficient and competitive economy, to have no net emissions of greenhouse gases by 2050 and to have economic growth decoupled from resources. On top of this, it also aims to protect, restore and enhance the EU's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts (COM(2019) 640).*

<sup>1</sup> Find out more on the European Commission's web page about the European Green Deal ([https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)).



Figure 1: The European Green Deal's key actions





## Who is this guide for?

This guide is designed to be a quick and practical reference for **project promoters** wishing to implement projects that support the environmental objectives of the European Green Deal and/or that contribute to the implementation of the EU environmental acquis and who seek EU funding or financing, including technical assistance. Project promoters can be either private or public actors, and both are targeted by this guide, including non-governmental organisations (NGOs), companies, research institutions, educational establishments, and national, regional and local authorities. The guide targets those seeking funding and financing either for projects that directly target the environment (and therefore have one or more environmental project objectives) or for projects that have other project objectives but that integrate environmental concerns in a cross-cutting manner. For example, as a project promoter, you may wish to invest in environmental infrastructure or to improve the environmental merits of projects in other sectors, such as industry, transport or energy, which do not necessarily have an environmental objective (see [Chapter 3](#) for more details on direct support versus environmental integration).

This guide provides a detailed description of those 2021–2027 MFF funding programmes and instruments that could support projects that directly or indirectly contribute to the EU's environmental policies and objectives. The aim of this guide is twofold: to increase awareness and to empower potential project promoters by providing them with knowledge and insights to facilitate applications for EU funding or financing for the environment. By consulting this guide, you, as a project promoter, regardless of whether you represent a private company, an NGO, a national, regional or local authority, or any other type of stakeholder, should be better equipped to identify the appropriate funding and technical assistance programme for your project, better understand the potential eligibility of your project and know where to find further guidance.

## What does this guide contain?

This guide is divided into two parts. The first, introductory part contains this chapter and [Chapter 2](#), which introduces you to the political context in which the funding and financing opportunities for the environment exist. Specifically, the European Green Deal and its goals are presented, along with the main EU-level funding sources for reaching these goals, namely the EU 2021–2027 MFF and NextGenerationEU.

The second part, which is the core of this guide, consists of [Chapter 3](#) and [4](#). [Chapter 3](#) presents some elements that

might influence your (strategic) choice of funding programme, such as how the funding programmes are managed and the existing types of funding and financing instruments. It also presents an overview of the available options for technical assistance. [Chapter 4](#) is a comprehensive description of the EU funding programmes that can support environment-specific projects (projects that have primarily environmental objectives) and projects whose main objective(s) relate(s) to a policy field other than the environment, with a view to addressing and integrating environmental concerns and opportunities. For each of the funding programmes listed in [Chapter 4](#), the opportunities for directly funding the environment and for integrating the environment into projects are highlighted.

[Table 1](#) gives an overview of the funding opportunities presented in detail in [Chapter 4](#). The funding programmes are presented in clusters reflecting the policy areas that are addressed by each fund/programme.

For each funding programme, this guide provides key information that is of practical use to project promoters, such as information on the eligibility criteria and on the types of projects funded, to help project promoters judge the relevance of each funding programme for their specific projects.

For some funding programmes, the guide also presents examples of projects that have been or are currently being implemented with the financial support of the fund in question or a precursor fund in the previous programming period (2014–2020). These examples are intended to illustrate for project promoters and other interested stakeholders what can be achieved with the funding and what the main elements of a successful application might be. Links to lists of other previously funded projects are also provided, allowing the reader to browse these projects and collect information of interest.

Finally, the guide provides links to additional sources of information, as well as to the European Commission's web pages where you can find announcements of specific calls as they are issued. In addition to the horizontal options for technical assistance that are presented in [Chapter 3](#), you will also find specific options for technical assistance related to each funding programme.

For each funding programme, the guide includes links to other relevant online sources of information so that you can obtain specific information, such as eligible costs and any other information that is not contained in this guide. Further information on applications and the necessary documentation will be laid out in the specific calls for project proposals.

Table 1: Overview of funding opportunities (for funds marked with an asterisk, the Common Provisions Regulation Regulation (EU) 2021/1060 applies)

Funding programme	Page of current guide	Domain to which the fund relates	Legal basis	European Commission web page
LIFE	<a href="#">28</a>	Environmental and Climate Action	<a href="#">Regulation (EU) 2021/783</a>	<a href="#">LIFE Programme</a>
Horizon Europe	<a href="#">32</a>	Research and Innovation	<a href="#">Regulation (EU) 2021/695</a>	<a href="#">Horizon Europe</a>
Cohesion Fund (CF)*	<a href="#">36</a>	Regional Development	<a href="#">Regulation (EU) 2021/1058</a>	<a href="#">Cohesion Fund</a>
European Regional Development Fund (ERDF) Investment for Jobs and Growth Goal*	<a href="#">38</a>	Regional Development	<a href="#">Regulation (EU) 2021/1058</a>	<a href="#">ERDF</a>
European Regional Development Fund (ERDF) European Territorial Cooperation Goal (Interreg)*	<a href="#">42</a>	Regional Development	<a href="#">Regulation (EU) 2021/1059</a>	<a href="#">Interreg</a>
European Social Fund (ESF+)*	<a href="#">44</a>	Regional Development	<a href="#">Regulation (EU) 2021/1057</a>	<a href="#">ESF+</a>
Just Transition Fund (JTF)*	<a href="#">47</a>	Regional Development	<a href="#">Regulation (EU) 2021/1056</a>	<a href="#">Just Transition Fund</a>
Connecting Europe Facility (CEF)	<a href="#">49</a>	Energy, Digital, Transport	<a href="#">Regulation (EU) 2021/1153</a>	<a href="#">CEF</a>
Recovery and Resilience Facility (RRF)	<a href="#">51</a>	Mitigation of impacts from COVID-19-pandemic, green and digital transition	<a href="#">Regulation (EU) 2021/241</a>	<a href="#">Recovery and Resilience Facility</a>
Invest EU Programme	<a href="#">54</a>	Sustainable infrastructure, research, innovation and digitisation, SMEs, social investment and skills	<a href="#">Regulation (EU) 2021/523</a>	<a href="#">InvestEU</a>
European Agriculture Guarantee Fund (EAGF)	<a href="#">60</a>	Agriculture	<a href="#">Regulation (EU) 2021/2115</a> <a href="#">Regulation (EU) 2021/2116</a> <a href="#">Regulation (EU) 2021/2117</a>	<a href="#">EAGF</a>
European Agriculture Fund for Rural Development (EAFRD)	<a href="#">62</a>	Rural Development	<a href="#">Regulation (EU) 2021/2115</a> <a href="#">Regulation (EU) 2021/2116</a>	<a href="#">EAFRD</a>
European Maritime, Fisheries and Aquaculture Fund (EMFAF)*	<a href="#">65</a>	Maritime and Fisheries	<a href="#">Regulation (EU) 2021/1139</a>	<a href="#">EMFAF</a>
Innovation Fund	<a href="#">69</a>	Climate Action	<a href="#">Directive 2003/87/EC</a> <a href="#">Commission Delegated Regulation (EU) 2019/856</a>	<a href="#">Innovation Fund</a>
Modernisation Fund	<a href="#">71</a>	Climate Action	<a href="#">Directive 2003/87/EC</a> <a href="#">Commission Commission Implementing Regulation (EU) 2020/1001</a>	<a href="#">Modernisation Fund</a>

## How to use this guide

With all of the information that is provided, how can you best make use of this guide? Below are some ideas for you to get started.

**Do you have a project idea but feel unsure if your idea will be selected to be funded?** Browse the project examples in this guide to see what is possible and what a successful project idea looks like.

**Do you know what you want to do but are not sure where to find funding?** This guide helps you make an informed choice of the fund or programme that best aligns with the nature of your project. Use [Table 2](#) to identify your category of project promoter (rows) and the sector(s) in which your project will operate (columns). At the intersection of your chosen row and column, you will find one or more funds/programmes that fit your needs, helping you to quickly navigate through the available funds/programmes. You can then refer to [Chapter 4](#) for more information on your chosen fund(s). Alternatively, you can read through the entirety of [Chapter 4](#) to get a comprehensive overview of the available options. For each fund/programme, the guide provides information on the type of funded/financed projects. Additionally, the information in [Chapter 3](#) will help you make a more strategic choice of fund/programme, in terms of the type of management and the way the money is disbursed (e.g. grants versus loans).

**Are you a project promoter wanting to bring to life a project that either directly targets the environment or integrates the environment in a cross-cutting manner? In this case, you have many things to consider and decisions to make.** This guide provides you with a starting point and sets out what you should consider when seeking EU funding and financing for the environment. In particular, [Chapter 3](#) highlights some elements that you may want to consider when choosing the type of funding programme to apply to, while [Chapter 4](#) offers a menu of funds and financing programmes from which you can choose.

**Would you prefer to implement a project through an EU grant?** Go to [Chapter 4](#) to identify the funds that provide grants – this guide provides information on how funds are disbursed through each fund/programme. From the short list of funds that provide grants, select those that fund projects that correspond to the type of project you want to implement.

**Are you interested in receiving a loan but are not sure where to start, what you need to do and/or where you can get help?** [Chapter 4](#) provides information on how funds are disbursed through each fund/programme. After making a short list of those financing options that provide loans, choose those that best fit the nature of your project (also look at the type of projects funded according to the description of the fund/programme). The description of the financing programme also provides further information. In the description, you will also find links to additional sources of information.

**Do you have an environment-relevant project idea, but you are not sure if you as a project promoter or the project itself is eligible for a certain fund/programme?** Use [Table 2](#) to identify the funds potentially of interest for you as a project promoter and for your project. Subsequently, consult the 'Targeted beneficiaries', 'Types of projects' and 'Eligibility criteria' sections in the description of the funds/programmes in [Chapter 4](#) for details on the eligibility criteria.

**Do you have a project idea, but you are not sure how to steer it towards the environmental goals of the EU?** For each fund/programme, [Chapter 4](#) contains a description of how the projects funded/financed through the fund/programme in question can mainstream environmental objectives. This can serve as inspiration for your specific project. In addition, please refer to [Chapter 3](#), which sets out the options for technical assistance and an explanation of integrating the environment into projects, to learn more on what is required to make your project greener and where you can find more help on this.

**Are you convinced that your idea will be a game changer but you lack the technical expertise or capacity to properly design, implement and/or mainstream environmental objectives?** Consult [Chapter 3](#) to identify the best option for technical assistance for you. Alternatively, if you already have a preferred fund or programme, please refer to the 'Options for technical assistance' and 'Useful links and resources' sections in the description of the fund/programme in question in [Chapter 4](#). The dedicated managing authority or the applicable technical assistance option, such as the Enterprise Europe Network, will assist you further.

**Do you want to find partners but do not know where to start?** Browse the available tools for technical assistance and matching portals, such as the InvestEU Portal or the EU Funding and Tenders Portal, presented in [Chapter 3](#) to identify those relevant to your project idea. Alternatively, if you already have a preferred fund or programme, refer to the 'Options for technical assistance' and 'Useful links and resources' sections in its description in [Chapter 4](#). The dedicated managing authority or the applicable technical assistance option will assist you further.

Table 2: Cross-reference table to identify appropriate funding programmes

Project promoter/ applicant	Economic sectors											
	Agriculture/ Forestry/ Fishing	Mining and Quarrying	Manufacturing	Electricity, gas, steam and air conditioning supply	Water supply; sewerage, waste management and remediation activities	Construction	Transportation and Storage	Accommodation and food service activities	Financial & Insurance Activities	Education	Human health and social work activities	Arts, entertainment and recreation
<b>Business</b>	EAFRD, EAGF, EMFAF, IF, JTF, LIFE, RRF	EAGF, EMFAF, IF, JTF, LIFE, RRF	EAGF, ERDF (Interreg), ERDF (jobs and growth), IF, JTF, LIFE, RRF	CEF, IF, JTF, LIFE, RRF	EAGF, LIFE, RRF	IF, JTF, LIFE, RRF	CEF, EMFAF, LIFE, RRF	EAGF, EMFAF, LIFE, RRF	EMFAF, ERDF (Interreg), ERDF (jobs and growth), ESF+, Horizon Europe, JTF, LIFE, MF, RRF, LIFE	ERDF (jobs and growth), ESF+, Horizon Europe, JTF, LIFE, MF, RRF, LIFE	RRF	ERDF (Interreg), ERDF (jobs and growth), LIFE
<b>Public Authority</b>	EAFRD, EAGF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	EMFAF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	CEF, CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	CEF, CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, RRE	Horizon Europe, LIFE, RRE	ERDF (jobs and growth), ERDF (Interreg), ESF+, Horizon Europe, JTF, LIFE, MF, RRF, LIFE	ERDF (jobs and growth), ESF+, Horizon Europe, JTF, LIFE, MF, RRF, LIFE	RRF, Horizon Europe	CF, ERDF (Interreg), ERDF (jobs and growth), ESF+, LIFE
<b>NGO</b>	Horizon Europe, LIFE, RRF	Horizon Europe, RRF	Horizon Europe, LIFE, RRF	CF, Horizon Europe, LIFE, RRF	Horizon Europe, LIFE, RRF	Horizon Europe, LIFE, RRF	Horizon Europe, CF, LIFE, RRF	Horizon Europe, LIFE, RRE	ERDF (Interreg), ERDF (jobs and growth), ESF+, Horizon Europe, LIFE, RRE	ERDF (Interreg), ERDF (jobs and growth), ESF+, Horizon Europe, JTF, LIFE, MF, RRF	RRF, Horizon Europe	ERDF (Interreg), ERDF (jobs and growth), LIFE
<b>Research Institution</b>	EMFAF, Horizon Europe, JTF, LIFE, RRF	EMFAF, Horizon Europe, JTF, LIFE, RRF	EMFAF, Horizon Europe, JTF, LIFE, RRF	EMFAF, Horizon Europe, JTF, LIFE, RRF	Horizon Europe, LIFE, RRF	Horizon Europe, JTF, LIFE, RRF	EMFAF, LIFE, Horizon Europe, LIFE, RRE	EMFAF, LIFE, Horizon Europe, LIFE, RRE	ERDF (Interreg), ESF+, Horizon Europe, JTF, LIFE, MF, RRF	ERDF (Interreg), ESF+, Horizon Europe, JTF, LIFE, MF, RRF	RRF, Horizon Europe	ERDF (Interreg), Horizon Europe, LIFE, Horizon Europe
Project Promoter/ applicant	Environmental Sectors											
	Air Quality	Chemicals	Circular Economy and Waste	Industry (Emissions)	Marine and Coastal Environment	Nature and Biodiversity	Soil and Land	Urban Environment	Water			
<b>Business</b>	EAGF, Horizon Europe, LIFE	IF, JTF, LIFE, RRF	EMFAF, IF, LIFE, RRF	EAGF, IF, JTF, LIFE, RRF	EMFAF, LIFE, RRF	EMFAF, LIFE, RRF	EAFRD, EAGF, LIFE, RRF	CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe	EAGF, LIFE, RRF			
<b>Public Authority</b>	CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE	ERDF (Interreg), ERDF (jobs and growth), IF, JTF, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, IF, JTF, LIFE, MF, RRF	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, RRE	CF, EMFAF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, RRE	CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, RRE	CF, ERDF (Interreg), ERDF (jobs and growth), Horizon Europe	ERDF (Interreg), ERDF (jobs and growth), Horizon Europe, LIFE, ME, RRE			
<b>NGO</b>	Horizon Europe, LIFE	Horizon Europe, LIFE, RRF	Horizon Europe, LIFE, RRF	Horizon Europe, LIFE, RRF	Horizon Europe, LIFE, RRE	CF, Horizon Europe, LIFE, RRE, EMFAF	Horizon Europe, LIFE, RRE	Horizon Europe, LIFE	Horizon Europe, LIFE, RRE			
<b>Research Institution</b>	Horizon Europe, LIFE	Horizon Europe, LIFE, RRF, JTF	EMFAF, Horizon Europe, LIFE, RRF	EMFAF, Horizon Europe, JTF, LIFE, RRF	EMFAF, Horizon Europe, LIFE, RRE	EMFAF, Horizon Europe, LIFE, RRE	LIFE, RRF	Horizon Europe, LIFE	Horizon Europe, LIFE, RRF			

NB: CEF, Connecting Europe Facility; CF, Cohesion Fund; EAFRD, European Agricultural Fund for Rural Development; EAGF, European Agriculture Guarantee Fund; EMFAF, European Maritime, Fisheries and Aquaculture Fund; ERDF, European Regional Development Fund; ESF+, European Social Fund Plus; IF, Innovation Fund; JTF, Just Transition Fund; MF, Modernisation Fund; RRF, Recovery and Resilience Facility.

Chapter 2:

# European Green Deal and the Multiannual Financial Framework

*This guide sits within a policy framework with the environment and climate at its very heart – the European Green Deal. This policy framework describes the objectives and sets the targets that the funding programmes (and the projects that they will support) are intended to align with and contribute to. The MFF, which is the EU's financial planning tool and the EU's 7-year budget, aims to support and implement the policy framework. Combined, the European Green Deal and the MFF provide the bigger picture for this guide, which you will find described in this chapter.*

## European Green Deal

The European Green Deal<sup>2</sup>, presented by the European Commission in December 2019, sets out the Commission's commitment to tackling climate- and environment-related challenges. It aims to transform the EU into a fair and prosperous society with a modern, resource-efficient and competitive economy, to have no net emissions of greenhouse gases by 2050 and to have economic growth decoupled from resources. On top of this, it also aims to protect, restore and enhance the EU's natural capital, and protect the health and well-being of citizens from environment-related risks and impacts.

The Green Deal's key actions aim to shift our economy towards a circular one, reduce greenhouse gas emissions and implement adaptations to climate change, protect biodiversity and ecosystems, and reduce air, water and soil pollution. The Green Deal sets out a roadmap of how to achieve these objectives through a wide range of initiatives across multiple sectors, including transport, energy, industry, agriculture, maritime and fisheries, and finance. It will be financed through different funding mechanisms, including the NextGenerationEU recovery plan and the EU's 2021–2027 MFF, mobilising at least EUR 1 trillion<sup>3</sup>.

Since the publication of the Green Deal, the Commission has gradually adopted different building blocks, many of which are directly or indirectly relevant for the environment.

In March 2020, the European Commission adopted an updated circular economy action plan<sup>4</sup>. With measures along the entire life cycle of products, this new action plan aims to make our economy fit for a green future,

<sup>2</sup> Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions – The European Green Deal, COM(2019) 640.

<sup>3</sup> European Commission, 'The European Green Deal investment plan and Just transition mechanism explained', 2020 ([https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_20\\_24](https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_24)).

<sup>4</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A new circular economy action plan for a cleaner and more competitive Europe, COM(2020) 98.

strengthen our competitiveness while protecting the environment, and give new rights to consumers. As part of the action plan, the Commission aims to harness the potential of EU funding programmes to support the necessary investments for the transition to a circular economy. The EU bioeconomy strategy<sup>5</sup> also contributes to the European Green Deal, as well as to industrial, circular economy and clean energy innovation strategies.

The circular economy action plan was recently expanded by the sustainable products package<sup>6</sup>, published in March 2022, with its overarching aim being to make sustainable products the norm in the EU. The European Commission has proposed new rules to make almost all physical goods on the EU market more environmentally friendly, circular and energy efficient throughout their whole life cycle. Actions to help achieve this include putting forward a new textile strategy and new rules for construction products and for empowering consumers in the green transition.

The circular economy action plan was followed in May 2020 by the comprehensive biodiversity strategy for 2030<sup>7</sup>, which aims to ensure that, by 2030, Europe's biodiversity will be on the path to recovery and that, by 2050, all ecosystems are restored, resilient and adequately protected. It proposes several actions, not only to tackle the key drivers of biodiversity loss such as the unsustainable use of the land and sea, overexploitation of natural resources and pollution, but also to actively restore degraded ecosystems. The strategy furthermore sets out the ambition to unlock at least EUR 20 billion per year for spending on nature. This will be a key stepping stone to



<sup>5</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Innovating for sustainable growth: A bioeconomy for Europe, COM(2012) 60.

<sup>6</sup> European Commission, 'Green Deal: New proposals to make sustainable products the norm and boost Europe's resource independence', 2022 ([https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_2013](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_2013)).

<sup>7</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – EU biodiversity strategy for 2030 bringing nature back into our lives, COM(2020) 380.

help reach the 2021–2027 MFF biodiversity spending targets of 7.5 % in 2024 and 10 % in 2026 and 2027. Finally, the biodiversity strategy commits to setting up a ‘dedicated natural-capital and circular-economy initiative’ under InvestEU, which is expected to mobilise at least EUR 10 billion over the next 10 years, based on public/private blended finance.

The biodiversity strategy was complemented by the ‘farm to fork’ strategy for a fair, healthy and environmentally friendly food system, recognising the inextricable links between healthy people, healthy societies and a healthy planet<sup>8</sup>. The farm to fork strategy will provide far-reaching policy directions to reinforce and increase the level of protection and restoration of European and global ecosystems through the nature restoration law, which was adopted on 22nd of June 2022.

In July 2021, the new EU forest strategy for 2030<sup>9</sup> was adopted. The strategy recognises the central and multifunctional role of forests, and the contribution of foresters and the entire forest-based value chain to achieving a sustainable and climate-neutral economy by 2050 and to preserving lively and prosperous rural areas. As part of the EU forest strategy, the EU also made a pledge to plant 3 billion trees by 2030.

In May 2021, the European Commission adopted the EU action plan entitled *Towards zero pollution for air, water and soil*<sup>10</sup>, another key deliverable of the European Green Deal. The plan ties together all relevant EU policies to tackle and prevent pollution, with a special emphasis on digital solutions. It aims to reduce pollution, via key 2030 targets and appropriate actions, to levels that are no longer harmful to human health and natural ecosystems.

As announced under the biodiversity strategy for 2030, the Commission is also working to propose, by the summer of 2022, an action plan to conserve fisheries’ resources and protect marine ecosystems by. This action plan will build bridges between environmental and fisheries policies as a means to provide a strong contribution to the delivery of the biodiversity strategy objectives and to meet the current obligations under both fisheries and environmental legislation.

In line with the EU’s raised ambitions to reduce net greenhouse gas emissions by at least 55 % by 2030, in

8 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A farm to fork strategy for a fair, healthy and environmentally-friendly food system, COM(2020) 381.

9 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – New EU forest strategy for 2030, COM(2021) 572.

10 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Pathway to a healthy planet for all. EU action plan: ‘Towards zero pollution for air, water and soil’, COM(2021) 400.

July 2021 the European Commission presented its ‘fit for 55’ strategy<sup>11</sup> for delivering the European Green Deal. This package consists of several proposals to revise and update EU legislation to ensure alignment. It includes a revision of the EU emission trading system directive, which is currently under deliberation with the Council and the European Parliament.

In May 2022, in response to the hardships and global energy market disruption caused by Russia’s invasion of Ukraine, the European Commission presented the REPowerEU plan<sup>12</sup> pursuing two urgent objectives: (1) ending the EU’s dependence on Russian fossil fuels, which are used as an economic and political weapon and cost European taxpayers nearly EUR 100 billion per year, and (2) tackling the climate crisis. The Recovery and Resilience Facility (RRF) is at the heart of the REPowerEU plan, supporting coordinated planning and financing of cross-border and national infrastructure, as well as energy projects and reforms, which are to be implemented by Member States by integrating dedicated REPowerEU chapters into Member States’ existing recovery and resilience plans (RRPs).

## EU 2021–2027 multiannual financial framework and NextGenerationEU

To achieve the European Green Deal and other policy objectives, various EU funding programmes are available, each with policy-specific targets and objectives. In December 2020, the Council and the European Parliament adopted the EU’s MFF for 2021–2027 (an EU budget of EUR 1.211 trillion for the EU-27)<sup>13</sup>. Together with the NextGenerationEU instrument<sup>14</sup> of EUR 806.9 billion, it forms a financial package of EUR 2.018 trillion that will be used for the EU’s recovery from the COVID-19 pandemic and the EU’s sustainability transition, embodied by the Green Deal<sup>15</sup>.

The NextGenerationEU instrument promotes activities that support environmental protection, digitalisation, health, increased resilience and equality within the EU economy.

11 European Commission, ‘European Green Deal: Commission proposes transformation of EU economy and society to meet climate ambitions’, 2021 ([https://ec.europa.eu/commission/presscorner/detail/en/IP\\_21\\_3541](https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3541)).

12 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions – REPowerEU plan, COM(2022) 230.

13 The amounts given in this section were current prices as of November 2020.

14 European Commission, ‘NextGenerationEU’ ([https://europa.eu/next-generation-eu/index\\_en](https://europa.eu/next-generation-eu/index_en)).

15 Council of the European Union, ‘Long-term EU budget 2021-2027 and recovery package’, 2022 (<https://www.consilium.europa.eu/en/policies/the-eu-budget/long-term-eu-budget-2021-2027/>).

Under its first pillar, the RRF<sup>16</sup> provides grants and loans to Member States. The REACT-EU regulation<sup>17</sup> tops up the cohesion policy support of 2014–2020, the Just Transition Fund<sup>18</sup> will assist Member States in alleviating the socioeconomic cost of the green transition, and the European Agricultural Fund for Rural Development (EAFRD) will be financially reinforced. Under a second pillar of NextGenerationEU under the InvestEU programme, a budgetary guarantee will be granted to implementing financial institutions in support of mobilising public and

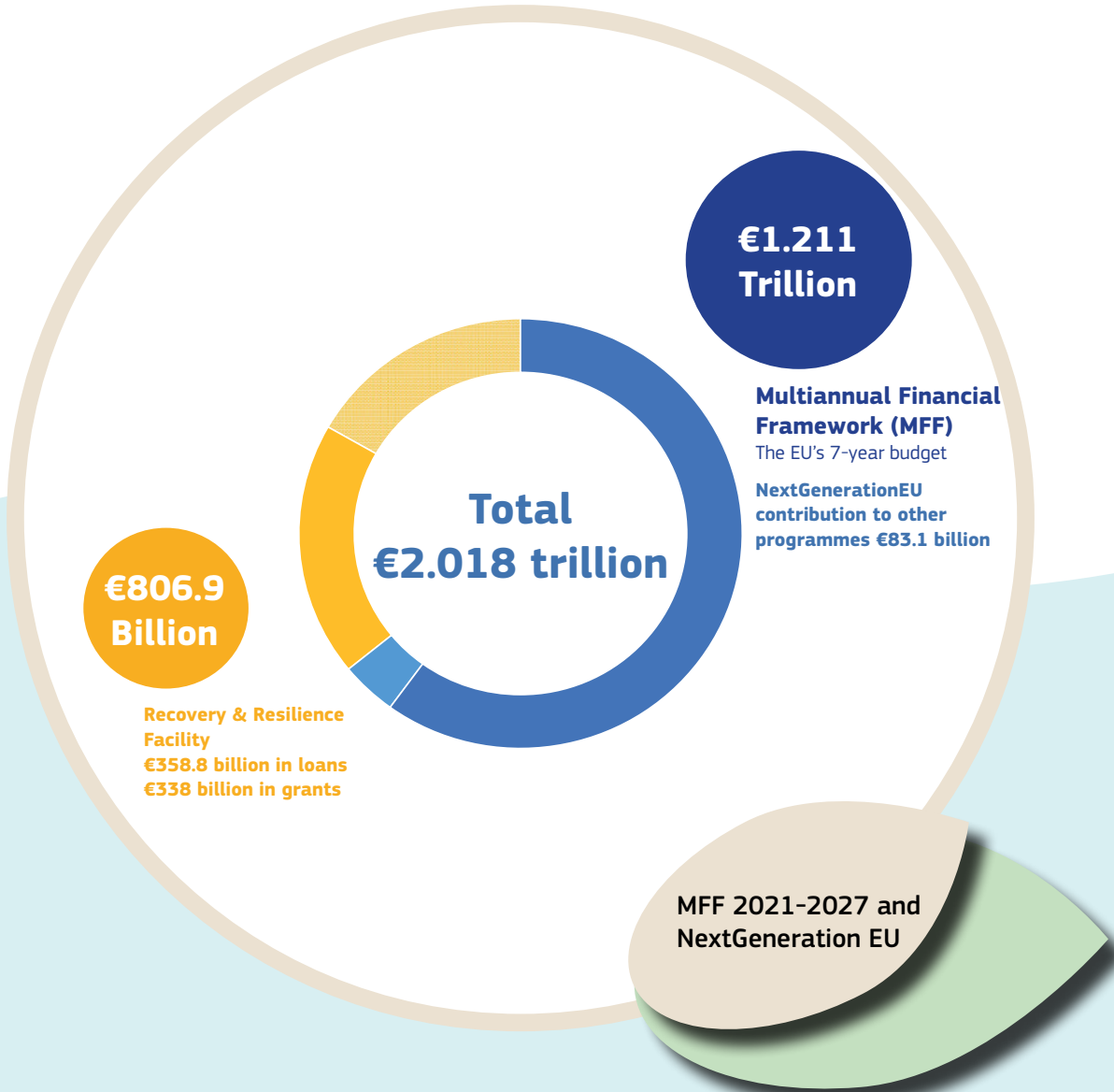
private investments. A third pillar, entitled ‘Addressing the lessons of the crisis’, includes EU4Health, a health programme to strengthen health security and prepare for future health crises.

The MFF for 2021–2027 and the NextGenerationEU instrument are expected to contribute to the EU’s horizontal climate and biodiversity mainstreaming targets (see [Chapter 3](#)). Specifically, for the RRF, a minimum of 37 % of funds will be dedicated to the EU’s climate objectives.

16 Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021, p. 17.

17 Regulation (EU) 2020/2221 of the European Parliament and of the Council of 23 December 2020 amending Regulation (EU) No 1303/2013 as regards additional resources and implementing arrangements to provide assistance for fostering crisis repair in the context of the COVID-19 pandemic and its social consequences and for preparing a green, digital and resilient recovery of the economy (REACT-EU), OJ L 437, 28.12.2020, p. 30.

18 Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund, OJ L 231, 30.6.2021, p. 1.





Chapter 3:

# Finding Your Way

*As a project promoter, a range of funding programmes are at your disposal, each with its own unique features. When seeking funding for your project, it is useful to understand the design and management structure of these funding programmes to guide your eventual choice. To select a funding programme to which your project can be adapted (i.e. to adapt your project to its specific requirements) and to make your project environmentally viable requires considerable effort. In this chapter, you will find further information to help you find your way: general information sources, key design and management features to facilitate understanding, access points to (environmentally targeted) technical assistance, and ways and means of integrating environmental objectives into your project.*

## Finding general information on EU funding and tenders portals

While this guide aims to provide insights on environmental funding and financing opportunities under the MFF, general information portals can be of major assistance in finding appropriate entry points, knowledge and advice. A selection of these is described in Table 3.

Table 3: A selection of general information portals

Portal / communication tool	Purpose	Significant characteristics	Website or web page(s)
Overview of all EU funding opportunities	Information on EU funding and tenders	Funding 101 - the basics and fundamentals on EU funding and tender opportunities	<a href="https://ec.europa.eu/info/funding-tenders_en">https://ec.europa.eu/info/funding-tenders_en</a>
EU Funding and Tender Opportunities Portal and its online manual	Single entry point for applicants, contractors and experts in funding programmes and procurements directly managed by the EU	Includes all necessary reference documents related to the relevant funding programme, an online manual to guide you through the preparation and submission process, a glossary, helpdesk information and more	<a href="https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home">https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home</a> <a href="https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/manuals">https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/manuals</a>
Tenders Electronic Daily (TED)	Online version of the Supplement to the Official Journal of the European Union, dedicated to European public procurement	Publishes all procurement opportunities from the EU, the European Economic Area and beyond	<a href="https://ted.europa.eu/TED/browse/browseByMap.do">https://ted.europa.eu/TED/browse/browseByMap.do</a>
<a href="#">European Climate Infrastructure and Environment Executive Agency</a> (CINEA)	All information related to CINEA as an executive agency and major management partner for implementing key programmes: the Connecting Europe Facility (transport and energy), Horizon Europe (cluster 5), the Innovation Fund, LIFE, the EU renewable energy financing mechanism, the European Maritime, Fisheries and Aquaculture Fund, the Public Sector Loan Facility under the Just Transition Mechanism, and the Green Advisory Service for Sustainable Investment Support (Green ASSIST)	Find all of the information necessary for project application and delivery under the programmes mentioned (calls for proposals and related tenders, manuals, how-to guides, etc.), as well as on Green ASSIST	<a href="https://cinea.ec.europa.eu/index_en">https://cinea.ec.europa.eu/index_en</a>
<a href="#">fi-compass</a>	Platform for advisory services on financial instruments under EU funds under shared management	General information, practical tools and learning opportunities that guide you step-by-step through the life cycle of European Structural and Investment Funds financial instruments. Specific advice is also offered on the use of financial instruments under each of the European Structural and Investment Funds	<a href="https://www.fi-compass.eu/">https://www.fi-compass.eu/</a>
Enterprise Europe Network	Provides expert advice to small businesses on how to access EU public funds and grants for research and development, innovation, investment, employment and training.	Includes the local contact points of the network partners at city level in each Member State and provides a tool for finding international partners for expanding business and to apply for funds	<a href="https://een.ec.europa.eu/">https://een.ec.europa.eu/</a>
Directorate-General for Environment Funding Opportunities	Provides information on grants and procurements issued by the Directorate-General for Environment	List of funding opportunities provided by the Directorate-General for Environment (grants and procurements)	<a href="https://ec.europa.eu/environment/funding/intro_en.htm">https://ec.europa.eu/environment/funding/intro_en.htm</a>
Contact the European Union	Provides contact information for getting first-hand information from the Commission	Contact information for telephone, email or in-person meetings with the EU centres in the Member States	<a href="https://european-union.europa.eu/contact-eu_en">https://european-union.europa.eu/contact-eu_en</a>

## Key design and management features of EU funding

### Different management modes

While the European Commission is ultimately responsible for the budget oversight of the EU, the manner in which these funding programmes are managed may differ. Even within the same funding programme, the Commission might use different management modes. For the project promoter, this means that it is not automatically the Commission that will issue calls for proposals or evaluate proposals. There are three types of management modes and the following sets out how they differ.

In **direct management**, the European Commission is responsible for all of the steps involved in a funding programme's implementation. This is the case for, for example, the LIFE programme, Horizon Europe (cluster 3) or the Connecting Europe Facility (CEF). However, as resource requirements for fund management exceed the Commission's capacity in addition to its role as guardian of the treaties and driver of EU policies and programmes, the European Commission can work together with its executive agencies, for example the European Climate Infrastructure and Environment Executive Agency (CINEA), to manage a fund. The tasks involved are distributed between these two: launching calls for proposals, evaluating and selecting projects, signing agreements, evaluating and monitoring implementation and results, and making payments. If you are looking for a project to be implemented under any of these instruments, you will find the relevant information on the website of the European Commission or of the corresponding executive agency.

Alternatively, certain funding programmes are designed in a way that allows them to more specifically address local and national circumstances. For these programmes, management is shared between the European Commission, Member States and their competent authorities (often at regional level). Under this **shared management**, Member States design their own tailor-made national programmes, which individual projects may apply to. Member States and their competent authorities are also in charge of selecting which projects receive funding, of day-to-day management and of making payments. This means that project promoters can find the relevant information for project development on the websites of the Member States or their competent authorities. Examples of funding programmes under this management mode include the cohesion policy funds and the funding programmes related to the common agricultural policy or the common fisheries policy.

The European Commission can also choose to work with partner institutions to make use of their specific (typically financial) knowledge and experience, such as with the European Investment Bank (EIB). This is the case when it

comes to financial instruments that involve banking products, such as loans, equity or debt instruments. This form of management is called **indirect management**, and one example is InvestEU. Under these programmes, the partner institution is in charge of application and awards procedures. All information necessary for project promoters to start their project in such cases is collated and available on the website of the partner institution.

In the more in-depth descriptions of the funding programmes in [Chapter 4](#), you will find the type of management and links to help you find the appropriate starting point of your future project.

### Different funding types

Each funding programme also sets out different types of funding so that it can cater for different circumstances.

**Grant funding** is a financial contribution that does not have to be paid back. This type of funding is independent of economic considerations to allow projects to thrive that would not be able to receive any funding on the free market. This includes projects such as those that include innovative ideas that need piloting, projects for training (e.g. to implement environmental legislation) or projects to help create a level playing field among stakeholders. In some cases, depending on the programme, a certain amount of co-funding is required (i.e. only part of the project cost is covered by EU funding). Moreover, you may also have to pre-finance your project, as your expenses may be refunded only upon completion of the project and validation of your costs' justifications. Your project will also have to fulfil certain requirements and conditions to be eligible for such funding. These requirements, conditions and co-financing rates are detailed in the call for proposals of the funding instruments themselves.

Other types of funding that are increasingly frequent in some policy areas are **financial instruments and budgetary guarantees** that can be deployed in the form of loans, debts, guarantees and equity investment. These are becoming more attractive in some policy areas or sectors, as they can lead to increased private sector investor participation and additional funding being leveraged, increasing the total sum available to a given project. They target revenue-generating and economically viable projects. The main objective is to provide funding for projects in which a private investor is hesitant to commit, for example for fear of stranded investments or no returns, but which would still be beneficial for achieving long-term objectives or for promoting innovation. This could be of interest for funding public goods such as biodiversity or for transitioning to a circular economy. As a project promoter, you also have increasing access to technical assistance services that help to design high-quality project pipelines. Within this guide, you will find further information on

InvestEU and in particular on its advisory arm, the InvestEU Advisory Hub.

Other types of funding relevant for the funding programmes described in this guide are prizes, subsidies and public procurement contracts. **Prizes** are indeed, as the name suggests, rewards for having won a contest. They are often granted to projects focused on societal development, such as the New European Bauhaus Prizes<sup>19</sup>. **Subsidies** are direct payments to support incomes or to level out social disparities, and as such are used under the EAFRD or the Cohesion Fund (CF).

Through **public procurement**, an EU or Member State institution may purchase services, supplies or works. For example, the Commission contracts consultancies to undertake a specific study that would inform the impact assessment of a new piece of environmental legislation via public procurement contracts. The servicing of the canteens in the Commission buildings would also be contracted via this means.

While you will typically find information on prizes and subsidies in the information material provided with a fund (work programmes and calls for proposals), all public procurement contracts are run through a specific website<sup>20</sup>, where all calls for tenders of EU institutions are published on a daily basis.

## Blending

It is useful to know it is possible to combine different types of funding support. This is usually called 'blending' and means that non-repayable forms of support (e.g. grants), repayable forms of support (e.g. loans) or both that come from the EU budget can be combined with other repayable forms of support (e.g. loans or equity) from development or other public finance institutions, such as the EIB or national promotional banks, or from commercial finance institutions and investors. The intention is primarily to promote and leverage the participation of private sector investors and financial institutions in newer or riskier markets and this approach can thus result in leveraging private or public funds.

This was done in the previous financing period, for example under directly managed funds such as the CEF with a special CEF Transport Blending Facility (involving the blending of a CEF grant component with financing from an implementing partner) and under the LIFE programme with the Nature Capital Financing Facility (involving the blending of a grant component from LIFE with EIB financing). Blending operations have been taken over into this financing period.

Another example of blended support is a new financing instrument under the InvestEU programme for 2021–2027, enabled by a top-up contribution from the European Maritime, Fisheries and Aquaculture Fund (EMFAF) complementing the InvestEU guarantee. The InvestEU blue economy instrument operates under the InvestEU small and medium-sized enterprises (SMEs) and RID policy windows joint equity product in the target area of blue economy and is managed by the European Investment Fund (EIF).

As a project promoter, this means that you might have more possibilities available for finding financial support for your project – especially when you are working to design a highly innovative or high-risk project that would bring about significant environmental benefits, but when either you are in need of large start-up capital or revenues from the projects are uncertain.

*Information on the setup of blending facilities, requirements and conditions, and relevant calls for proposals will be published on the website of the funding programme in question (either by the European Commission, the managing executive agency or the implementing partner).*

## Combination of financial instruments and grants under the common provisions regulation

In 2014–2020, the common provisions regulation, which lays down common rules for the EU funds jointly delivered with Member States and regions under the shared management mode<sup>21</sup>, provided for a combination of financial instruments and grants in a single operation, provided that grants were used for technical support or to subsidise interest rates and guarantee fees. This meant that these grants could not be paid directly to the final recipient. Now, in the 2021–2027 programming period, the combination of financial instruments and grants within the common provisions regulation has been expanded to cover all kinds of grants (from different funds), which in essence means that direct payments to the final recipients can be made from such operations. The decision on whether or not to combine financial instruments and grants lies in the hands of programme managing authorities (MAs). Please note that grants may not be used to reimburse support received from financial instruments, and financial instruments cannot be used to pre-finance grants.

<sup>19</sup> European Union, 'New European Bauhaus Prizes', ([https://europa.eu/new-european-bauhaus/get-involved/2022-prizes\\_en](https://europa.eu/new-european-bauhaus/get-involved/2022-prizes_en)).

<sup>20</sup> Tenders Electronic Daily (TED; <https://ted.europa.eu/TED/browse/browseByMap.do>).

<sup>21</sup> The eight funds covered by this common regulation are the European Regional Development Fund, the European Social Fund Plus, the CF, the Just Transition Fund, the EMFAF, the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy.

If you are interested in finding out more, fi-compass provides a useful guide on how the combination of financial instruments and grants work under shared management funds in this financing period ([https://www.fi-compass.eu/sites/default/files/publications/Combination%20of%20financial%20instruments%20and%20grants\\_1.pdf](https://www.fi-compass.eu/sites/default/files/publications/Combination%20of%20financial%20instruments%20and%20grants_1.pdf)).

### Visibility requirements

All projects that have been awarded EU funding have to clearly show the source of funding. As a beneficiary, the general rule is that the EU logo must be displayed on materials such as publications, billboards and merchandising. Interreg and the LIFE programme have their own logos that are to be used in such cases.

In [Chapter 4](#), this kind of information is also included in the description of individual funding programmes and is available through the links provided in these sections.

### Technical assistance (advisory and support services) for project promoters

*There are quality requirements for receiving funding from the EU. To support you, project promoters, in meeting these requirements, efforts have been made to consolidate technical assistance services and orient them directly to your needs. Most importantly, this guide puts strategic emphasis on environmentally targeted support for project pipelines that have a high impact. In this area, there is plenty of information and assistance at your disposal free of charge.*

*In this section, we highlight the most significant technical assistance initiatives for enabling project promoters to succeed in 'greening' their projects within the EU. In [Chapter 4](#), for each funding programme you will find further information sources and targeted technical assistance information where it exists. In order to not neglect the technical assistance also provided to Member States' competent authorities, this guide also contains relevant information and entry points in this regard.*

### Joint Assistance to Support Projects in European Regions partnership

Joint Assistance to Support Projects in European Regions (JASPERS) is a technical assistance partnership between the European Commission, the EIB and the European Bank for Reconstruction and Development. JASPERS can strengthen your project planning and preparation skills as a project promoter, your knowledge on climate and environmental proofing of investments, and projects' compliance with EU legislation, and can provide support for any related needs.

Moreover, JASPERS can directly support you in preparing your project (from its design to implementation).

You can gain access to JASPERS when you are interested in submitting a proposal under any of the cohesion policy funds (the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), the CF or the Just Transition Fund (JTF)), under the EMFAF or under the CEF (transport). JASPERS can also support applicants under the Instrument for Pre-Accession Assistance.

The EU's cohesion policy is designed to work closely with EU citizens, and JASPERS reflects that same spirit in its operation: JASPERS is formally managed by the EIB and is made up of a team of 130 people that can provide advice along the entire project cycle. Uniquely, the team is dispersed all over the EU: in addition to the headquarters in Luxembourg, there are other offices in Brussels, Bucharest, Sofia, Vienna and Warsaw.

To find out more, the JASPERS website is a good entry point (<https://jaspers.eib.org/index.htm>).

### InvestEU Advisory Hub

The **InvestEU Advisory Hub**<sup>22</sup> is part of the InvestEU programme and is a central entry point for project promoters and intermediaries seeking advisory support and technical assistance for investment projects across the EU. The hub deals with centrally managed EU investment funds.

If you are a project promoter looking for support in identifying promising investment project opportunities or for advice on your project preparation and development, look no further – the InvestEU Advisory Hub is the place to go. The hub will review project applications before submission for funding and will help in planning and implementing investment operations. Notably, the InvestEU Advisory Hub also provides advice on environmental and/or social sustainability structuring and impact assessments of investments.

The InvestEU Advisory Hub is structured as follows:

- it provides advisory initiatives under the four InvestEU policy windows as well as under a cross-sectoral/horizontal advisory component;
- it serves as a central entry point for the provision of advisory support services, such as project development, capacity building and market development support to authorities and project promoters and financial or other intermediaries for centrally managed EU investment funds.

<sup>22</sup> For more details, see the InvestEU Advisory Hub web pages ([https://investeu.europa.eu/what-investeu-programme/investeu-advisory-hub\\_en](https://investeu.europa.eu/what-investeu-programme/investeu-advisory-hub_en)).

The EIB Group acts as the main advisory partner within the InvestEU Advisory Hub by implementing 75 % of the InvestEU Advisory Hub budget through the delivery of advisory services to beneficiaries, as well as by providing strategic support to the European Commission to develop and reinforce advisory initiatives. The Commission and the EIB Group signed an advisory agreement on the provision of 11 thematic advisory support initiatives covering policy and investment priorities under the sustainable infrastructure policy window; the research, innovation, digitisation and SMEs window; the social investment and skills window; and the cross-sectoral window of the InvestEU Advisory Hub Green Advisory Service for Sustainable Investment Support.

*Find out more about the advisory services offered by the EIB Group under the InvestEU Advisory Hub (<https://eiah.eib.org/about/services>).*

### Green Advisory Service for Sustainable Investment Support

The Green Advisory Service for Sustainable Investment Support (**Green ASSIST**)<sup>23</sup> is an advisory initiative worth EUR 30 million and funded from the LIFE programme. It aims to build a pipeline for green investment projects and to ensure the integration of environmental requirements into projects in other sectors with a high impact on the green economy.

The advisory services available from September 2022 consist of two components: (1) the provision of green investment advisory support and (2) support related to capacity building and market development.

Green investment advisory support, the first component, will provide assistance to public and private investment promoters and other related actors in the identification and development of investments serving the EU environmental policies and legislation, protecting and preserving natural capital, and promoting the circular economy. This specialised expertise could also be used to support the greening of investments in non-environmental sectors (e.g. energy, transport, agriculture, forestry, fisheries, resource management and communications), with a view to significantly improving the environmental performance and reducing the footprint of such investments. Under this service, you as a project promoter can make use of advice from dedicated experts, including very specific expertise.

Under the second component, dedicated support for capacity building and market development will help you to

<sup>23</sup> For more information, see CINEA's web page on Green ASSIST ([https://cinea.ec.europa.eu/programmes/life/green-advisory-service-sustainable-investments-support-green-assist\\_en](https://cinea.ec.europa.eu/programmes/life/green-advisory-service-sustainable-investments-support-green-assist_en)).

identify and realise the potential for green finance and investments in certain geographical areas and/or sectors and will boost the demand for green and the greening of investments.

*CINEA will be implementing Green ASSIST in the autumn of 2022, so keep an eye on CINEA's website for more information and guidance to come ([https://cinea.ec.europa.eu/index\\_en](https://cinea.ec.europa.eu/index_en)).*

### Further technical assistance resources

The European Commission also operates other technical assistance services that solely target Member States' competent authorities. The Technical Support Instrument (TSI) and the Technical Assistance and Information Exchange (TAIEX) instrument of the European Commission are prominent examples thereof, and are described below.

### Technical Support Instrument

The TSI is an EU programme that provides tailor-made technical expertise to EU Member States' authorities for designing and implementing reforms. This support is demand driven and does not require co-financing from Member States.

The TSI provides technical support to Member States' authorities in a wide range of policy areas, notably the green transition (including the environment, the circular economy, climate action and the energy transition). Through the TSI, Member States' authorities can gain assistance in their efforts to design reforms that is based on their own priorities. They can enhance their capacity to develop and implement reform policies and strategies, and can benefit from good practices and examples from peers. The TSI also provides support in the preparation, implementation and revision of RRP.

*More information is available on the TSI on the European Commission's website ([https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes/technical-support-instrument/technical-support-instrument-tsi\\_en#aboutthesrp](https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes/technical-support-instrument/technical-support-instrument-tsi_en#aboutthesrp)).*

### Technical Assistance and Information Exchange

TAIEX supports Member States' public administrations and is focused on enhancing the implementation of EU legislation and on sharing EU best practices across the EU (and beyond). TAIEX is driven by demand and covers all policy areas. For example, the instrument could provide support for the implementation of a specific EU funding

programme. Support is provided through workshops, expert missions and study visits, and beneficiary authorities can also rely on specific expertise provided by officially recognised TAIEX experts.

You can learn more about TAIEX on the European Commission's website ([https://ec.europa.eu/neighbourhood-enlargement/funding-and-technical-assistance/taie\\_x\\_en](https://ec.europa.eu/neighbourhood-enlargement/funding-and-technical-assistance/taie_x_en)).

## Greening your project: Guiding principles and tools

*The focus of this guide is to highlight the ways in which you can support the environment through the wide variety of means available. The previous section demonstrated that technical assistance services are in place to assist in the greening of projects. However, where can you find concrete guidance as a project promoter for your project development?*

The **sustainable development goals** provide political guidance and represent a global call for action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The **European Green Deal** is at the heart of the Commission's strategy to implement the 2030 agenda on sustainable development. It sets out concrete objectives, targets and actions, with environmental and climate protection at its core. If you are looking to align your project with these policies designed to bring about change, consult the Green Deal's initiatives presented in [Chapter 2](#).

The EU's **eighth environmental action programme**, which entered into force on 2 May 2022 as the EU's legally agreed common agenda for environment policy until 2030, sets six thematic priority objectives: greenhouse gas emission reductions, adaptations to climate change, a regenerative growth model, a zero-pollution ambition, protecting and restoring biodiversity, and reducing key environmental and climate impacts related to production and consumption. These objectives constitute important elements to take into account in directly supporting the environment and integrating the environment in a cross-cutting manner into projects. Furthermore, the eighth environmental action programme lays down a monitoring framework with headline indicators that can act as further guidance on how to design green projects.

You can find relevant information on the eighth environmental action programme on the European Commission's website ([https://ec.europa.eu/environment/strategy/environment-action-programme-2030\\_en](https://ec.europa.eu/environment/strategy/environment-action-programme-2030_en)).

As the main vehicles to achieve the ambitious objectives of the European Green Deal, the **MFF** and **NextGenerationEU** funding programmes have been designed to integrate climate and environmental policy priorities. Overall targets have been set: at least 30 % of the total expenditure will contribute to climate action, and biodiversity objectives will receive 7.5 % in 2024 and 10 % in 2026 and 2027 of annual spending under the MFF<sup>24</sup>. The RRF financed through NextGenerationEU has a climate mainstreaming target of 37 %.

The 'do no harm' oath has been introduced through the European Green Deal as a way of preventing harm to the environment or the climate, and this concept was further expanded on in the EU taxonomy regulation for sustainable finance through the concept of '**do no significant harm**' (DNSH)<sup>25</sup>. The principle of DNSH is considered met if a project does not do harm with respect to the environmental and climate objectives of climate change mitigation, climate change adaptation, sustainable use and the protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. As a project promoter, when implementing the DNSH principle, you need to consider if and, when relevant, prove that your project is not harming any of these objectives. As highlighted above, DNSH has already been integrated into the requirements of certain funding programmes (the RRF and cohesion policy funds); however, a project promoter can also apply DNSH on a voluntary basis. It should be noted that the implementation of the DNSH principle and compliance with environmental legislation at EU and national level are complementary to each other – one is not a substitute for the other.

The LIFE programme is principally dedicated to the EU's climate and environmental policy priorities. In addition, as this guide shows, there are a variety of other funding programmes, such as the ERDF, EAFRD, EMFAF and RRF, as well as InvestEU, that have components or eligibility areas aimed at directly contributing to these targets or achieving considerable co-benefits.

Therefore, for designing environmentally friendly projects as a project promoter, you can consider two options – either you choose to design a project that directly targets environmental objectives or you develop a project in which environmental considerations are integrated into the project cycle.

<sup>24</sup> Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources, OJ L 433I, 22.12.2020, p. 28.

<sup>25</sup> Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

Projects that **directly support the environment** have the protection, improvement or restoration of the environment as part of their objectives, such as the protection of water or marine resources, pollution prevention and control, biodiversity protection and restoration, or fostering a circular economy. For example, such projects could be designed to remove marine litter, restore ecosystems to counter the decline of certain animal species, or set up a repair cafe in a remote village. In [Chapter 4](#), in the description of each fund, you will find opportunities for directly supporting the environment, where these exist.

**Environmental objectives can also be integrated in a cross-cutting manner** into the project cycle, from design and implementation to evaluation. This is often referred to as the environmental mainstreaming of projects. Examples of environmental integration include assessing and reducing environmental impacts when setting up a new infrastructure project, for example through a wildlife overpass when building a new train line or including green skills in a skills development programme.

Many of the EU funding programmes' main policy areas, such as transport, agriculture or rural development, have great potential for integrating environmental objectives into projects. Several of the funding programmes have provisions aimed at environmental integration, such as those described in the objectives of the ERDF, the European Agricultural Guarantee Fund (EAGF) or the EMFAR; the incorporation of the DNSH principle under the RRF and cohesion policy funds; sustainability proofing under InvestEU; or the exclusion lists for certain activities that have a negative impact on the environment under different programmes. As a project promoter, the precautionary principle is also important: this should ensure that all action and activities at EU level are guided and designed in such a way that no harm is done to the climate and environment that could have been prevented. You will also have to ascertain that your project complies with the environmental legislation in force, be it at EU or national level. This means that, for certain projects, it will be necessary to undertake an environmental impact assessment (EIA) before their approval.

You will find funding programme-specific elements for integrating environmental objectives into projects detailed in [Chapter 4](#) under the 'Opportunities for environmental integration' sections for each funding programme. There are further details below on useful elements for project promoters for the integration of environmental objectives into projects.

EIAs of proposed projects and investments are critical building blocks for the integration of environmental objectives at individual project level. The **EIA directive**<sup>26</sup>

<sup>26</sup> Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and

lays down the legal framework for such assessments<sup>27</sup>. The following describes the kinds of projects that are required to undergo an assessment (e.g. the development of long-distance motorways, airports or dams) and what kind of procedures you will have to follow under which conditions. All projects listed in Annex I of the EIA directive are considered as having significant effects on the environment and therefore require an EIA. For projects listed in Annex II of the directive, the national environmental authorities must determine whether the project is subject to an EIA through a screening procedure. Public consultation is a key feature of environmental assessment procedures. Through the directive, each Member State is obliged to transpose the requirements into national law in order to adapt the general framework to national circumstances and organisational structure. If you wish to learn which exact procedures you will have to follow as a project promoter and whether your project is subject to a mandatory assessment, you are therefore best advised to contact the focal point of the Member State where the project will be implemented for further information.

Other important EU environmental compliance building blocks for environmental integration in relation to nature and biodiversity are the **birds directive**<sup>28</sup> and **habitats directive**<sup>29,30</sup>. Under the habitats directive, Member States must designate special areas of conservation to ensure the favourable conservation status of habitat types listed in Annex I of the directive and species listed in Annex II of the directive. Under the birds directive, the network must include special protection areas designated for 194 particularly threatened species and migratory bird species. Altogether, these sites create the Natura 2000 network of protected areas. Any plan or project that is likely to have a significant effect on a Natura 2000 site, either individually or in combination with other plans or projects, must undergo an appropriate assessment by the Member State (pursuant to Article 6(3) of the habitats directive). This assessment must determine the project's or plan's implications for the site, in view of the site's conservation objectives. The competent authorities can agree to the plan or project only after having ascertained that it will not adversely affect the integrity of the site concerned. In very exceptional circumstances (i.e. when there are no other alternatives and the plan or project is justified by imperative reasons of overriding public interest), it may be allowed to go ahead in spite of a negative assessment outcome, but

private projects on the environment, OJ L 26, 28.1.2012, p. 1.

<sup>27</sup> You can find more information on EIAs on the European Commission's website ([https://ec.europa.eu/environment/eia/index\\_en.htm](https://ec.europa.eu/environment/eia/index_en.htm)).

<sup>28</sup> Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, OJ L 20, 26.1.2010, p. 7.

<sup>29</sup> Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, OJ L 206, 22.7.1992, p. 7.

<sup>30</sup> More information on the birds and habitats directives is available on the European Commission's website ([https://ec.europa.eu/environment/nature/legislation/index\\_en.htm](https://ec.europa.eu/environment/nature/legislation/index_en.htm)).



Member States must take appropriate compensatory measures to ensure that the overall coherence of the Natura 2000 network is protected, and the Commission must be notified (Article 6(4) of the habitats directive); in certain cases, an opinion of the Commission may also be required.

The **water framework directive**<sup>31</sup> ensures the full integration of economic and ecological perspectives into the management of water quality and quantity<sup>32</sup>. The directive applies to fresh, coastal and transitional waters and ensures an integrated approach to water management that respects the integrity of whole ecosystems. The directive's key objective is to achieve a good status for the more than 146 000 surface water bodies (e.g. rivers, lakes and coastal waters) and over 15 000 groundwater bodies in the EU territory. Achieving a 'good status' means securing good ecological and chemical status for surface waters and good quantitative and chemical status for groundwaters (groundwaters are the main sources for abstraction of drinking water). The water framework directive also introduces a requirement that river management be based on river basins (i.e. the natural geographical and hydrological unit) and not on administrative or political boundaries. River basin management plans detail how the objectives set for the river basin (ecological status, quantitative status, chemical status and protected area objectives) are to be reached within the timescale required. Projects involving a modification to the physical characteristics of a surface water body or alterations to the level of groundwater bodies that deteriorate the status of the water body or cause a failure to achieve good water status/potential will need to fulfil the conditions described under Article 4(7).

The **waste framework directive**<sup>33</sup> can be relevant for certain projects, as it can guide projects on how to be consistent with the waste hierarchy (Article 4), on how to contribute to preparing for reuse and recycling targets (Article 11(2)) and on the need to be consistent with the relevant waste management plan and waste prevention programme (Articles 28 and 29)<sup>34</sup>.

Depending on the nature of the project, other environmental legislation might be applicable, such as the strategic

environmental assessment<sup>35</sup> or the industrial emissions directive<sup>36</sup>.

For a project promoter, it can certainly feel overwhelming when it comes to ensuring that your project design is environmentally integrated and in compliance with environmental legislation. However, this does not have to be the case. First, you can always consult the comprehensive information that is available on the European Commission's website<sup>37</sup> or on the websites of the environmental authorities of the Member States. Second, feel free to get in touch with your national contact points or the contact points of the various funding programmes at EU level, all of which will be helpful in guiding you to the information that you require to ensure that your project will become an asset.

*In Chapter 4, you will find further information on greening your project within specific funding programmes, as highlighted above. If you have further questions during your project design phase, do not hesitate to contact the technical assistance services at your disposal or the focal points in charge.*

31 Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy, OJ L 327, 22.12.2000, p. 1.

32 More information on the water framework directive can be found on the European Commission's website ([https://ec.europa.eu/environment/water/index\\_en.htm](https://ec.europa.eu/environment/water/index_en.htm)).

33 Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives, OJ L 312, 22.11.2008, p. 3.

34 More information on the waste framework directive can be found on the European Commission's website ([https://environment.ec.europa.eu/topics/waste-and-recycling\\_en](https://environment.ec.europa.eu/topics/waste-and-recycling_en)).

35 Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment, OJ L 197, 21.7.2001, p. 30.

36 Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control), OJ L 334, 17.12.2010, p. 17.

37 The European Commission website provides two useful entry points (<https://eur-lex.europa.eu/summary/chapter/20.html> and [https://ec.europa.eu/environment/index\\_en](https://ec.europa.eu/environment/index_en)).

Chapter 4:

# Access to Funding

## Introduction to the funding programmes


This chapter describes 13 funding programmes from the MFF for 2021–2027 and NextGenerationEU, which can fund or finance projects that support the environmental objectives of the EU. The projects can either target the environment directly or integrate environmental concerns in a more cross-cutting way.

[Table 4](#) summarises the type of information given for each funding programme in the following sections. It should be noted that, for each funding programme included in this guide, the focus is on the most significant information for project promoters supporting environmental objectives. More detail on each funding programme can be found through the various links provided in the individual descriptions that follow.

The funds presented below are clustered in terms of policy areas and, within each cluster, they are presented in alphabetical order.

Table 4: Summary of information given for each funding programme

Type of information	Description
Key Areas	Provides a brief overview of the key policy areas to which the funding programme relates
Objective(s) and scope	Provides the overall objective(s) and scope of the fund/programme
Components	Indicates the different areas of focus and priorities of the funding programme. Contributing to fulfilling an overall objective, the components may have separate budgets within a funding programme
Volume of funding	Provides the amount of money from the MFF or NextGenerationEU budgets made available through the funding programme. Within each funding programme, a further distinction is often made regarding how much funding is available for each component or project type
Type of management	Indicates the type of management applicable to each fund/programme. The funding programmes at EU level are managed by the Commission (direct management), jointly with the Member States (shared management) or through implementing partners (indirect management). Depending on the nature of the funding or component concerned, a funding programme can have one or more implementation modes
Type of funding	Indicates the method of disbursement of the funds, such as grants, loans, equity or guarantees, or a combination thereof
Targeted beneficiaries	Indicates the intended beneficiaries of the funding programme. Each funding programme and technical assistance instrument defines its intended beneficiaries, which may range from farmers to researchers to firms to international organisations. An overview of the most common beneficiaries of EU funding can be found on the European Commission' website ( <a href="https://ec.europa.eu/info/funding-tenders/how-apply/eligibility-who-can-get-funding_en">https://ec.europa.eu/info/funding-tenders/how-apply/eligibility-who-can-get-funding_en</a> )
Types of projects	Provides a high-level overview of the types of projects that can be financed through the funding programme. This gives readers a general idea of whether their projects are broadly eligible for the funding programme in question
Eligibility criteria	Provides a non-exhaustive list of eligibility criteria in terms of beneficiaries and project types/ activities. For each funding programme, but also for individual calls, horizontal and/or specific eligibility criteria may exist. This guide provides key information to help project promoters judge their eligibility as entities. Project promoters can subsequently get more hands-on assistance on the eligibility criteria by consulting the fund-specific guidelines found, for example, in the call for proposal and information for tenders. In addition, the specific assistance offered by the MAs can help project promoters to further identify the eligibility requirements
Visibility requirements	Provides the specific requirements that the beneficiaries have to comply with when receiving EU funding. Typically, this means making the EU logo visible and acknowledging EU funding as the source of financial support
Opportunities for directly targeting the environment	Explains how and in which areas the projects financed via the funding programme have the potential to directly contribute to environment objectives
Opportunities for environmental integration	Explains the potential that the eligible projects can have to integrate environmental objectives in a cross-cutting manner (by indirectly targeting them and/or by integrating them into the project cycle as described in <a href="#">Chapter 3</a> )
Options for technical assistance	Indicates the options for technical assistance, which are available under a number of funding programmes to assist both private and public project promoters. Project promoters can receive help in designing (including the integration of environmental considerations) and implementing their projects
Useful links and resources	Provides online resources on funding portals and information on where to find calls for proposals, how to apply for funds, contacts points, the legal acts establishing the funds and any other possible additional sources of information, for those users that seek more in-depth information
Project examples	Presents examples of past projects, mostly from the previous MFF. This gives you a taste of what is possible and should help boost your confidence in searching and applying for funding programmes appropriate for your project



# Information on the funding programmes

# Programme for the environment and climate action (LIFE)

The EU's financial instrument supporting environmental, nature conservation, climate action and sustainable energy projects throughout the EU and non-EU countries associated with the LIFE programme

Key areas	Objective(s) and scope	Components
Circular economy and waste, air quality and pollution prevention and control, nature and biodiversity protection, conservation and restoration, sustainable use and protection of water and marine resources, climate change mitigation and adaptation, clean energy and environmental and climate governance, energy efficiency.	The general objective is to contribute to the shift towards a sustainable, circular, energy- efficient, renewable energy-based, climate-neutral and resilient EU economy, in order to protect, restore and improve the quality of the environment, including the air, water and soil, and to halt and reverse biodiversity loss and to tackle the degradation of ecosystems, including by supporting the implementation and management of the Natura 2000 network, thereby contributing to sustainable development. The LIFE programme is also intended to support the implementation of the EU's general action programmes on the environment.	The LIFE programme is made up of four subprogrammes: 1. nature and biodiversity 2. circular economy and quality of life 3. climate change mitigation and adaptation 4. clean energy transition.
		Volume of funding
		EUR 5.4 billion

Type of management	Types of funding
LIFE is a directly managed fund through calls for proposals/tenders. The programme is managed by the European Commission and the bulk of grants are delegated to CINEA.	The predominant form of funding used by the LIFE programme is grants, broadly constituting about 85 % of the total budget. Grants can co-finance up to 95 % of project costs, as outlined below, depending on the type of projects. Other forms of funding include procurement contracts, prizes and technical assistance for investment operations.

Targeted beneficiaries
<p>Eligible beneficiaries fall within one of the following categories:</p> <ul style="list-style-type: none"> <li>• a public or private legal entity registered in the EU or an overseas country or territory linked to it</li> <li>• a non-EU country associated with the LIFE programme</li> <li>• a legal entity created under EU law or any international organisation.</li> </ul> <p>Natural persons are not eligible to apply.</p> <p>Legal entities established in a non-EU country that is not associated with the LIFE programme may exceptionally be eligible to participate when this is necessary for the achievement of the objectives of a given action to ensure the effectiveness of interventions carried out in the EU. However, those legal entities must, in principle, bear the cost of their participation.</p>

Types of projects
<p>The LIFE programme funds <b>environment-specific and environment-integrated projects in the form of grants, prizes and procurement</b>. It may also finance technical assistance for investment operations. As examples, environment-specific projects can be financed through standard action projects, whereas strategic nature projects (SNAPs) and strategic integrated projects (SIPs) have the aim of supporting the implementation of a plan or strategy required by environmental and climate legislation or policies. LIFE also finances projects to improve governance in support of its environmental/climate objectives.</p> <p>The LIFE programme sets out funding streams for projects aimed at assisting in the preparation of SNAPs or SIPs.</p> <p>The LIFE programme can furthermore support the functioning of non-profit entities active in the field of environment and climate action (including energy transition). Grants may, under certain conditions, also finance activities in overseas countries or territories of Member States or support international agreements to which the EU is a party.</p>

## Eligibility Criteria

The LIFE regulation lays down the basic rules for the fund, including its main eligibility criteria. One important criterion is the need to co-finance projects. The co-finance rates are as follows<sup>38</sup>:

- obligatory for LIFE projects, the co-finance rate can be at most 60 % for SNAPs, SIPs and standard action projects;
- for standard action projects under the nature and biodiversity subprogramme, the co-finance rate can be up to 75 %;
- for non-profit entities, the co-finance rate can be up to 70 %;
- other actions financed under the clean energy transition subprogramme can be co-financed up to 95 %.

<sup>38</sup> All rates and conditions are explained on the European Commission's website ([https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/wp\\_life-2021-2024\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/wp_life-2021-2024_en.pdf)).



## Visibility Requirements

It is important to know that visibility / CI requirements deviate for the LIFE programme from the approach of other funds and financing programmes. In particular, Article 21 of the LIFE regulation requires the use of the LIFE logo for recipients of LIFE funding.

## Opportunities for directly targeting the environment

LIFE is the environmental funding instrument of the EU and targets environmental projects and projects with an environmental dimension. This is true for all four subprogrammes, and most directly for the nature and biodiversity and the circular economy and quality of life subprogrammes. The projects under these two pillars will directly target the sustainable use and protection of marine and water resources, biodiversity and ecosystem restoration, the transition to the circular economy, air quality, and pollution prevention and control.

## Opportunities for environmental integration

The LIFE programme was designed to maximise its own environmental integration dimension. With its revision as part of the previous MFF period, a special mainstreaming tool was introduced for LIFE integrated projects<sup>39</sup>. One of the unique features of such projects is that they help Member States to make use of other EU funding sources (e.g. structural, agricultural or regional funds). With the latest revision, these projects were expanded to allow wider use, also for nature.

Projects funded under the LIFE programme are required to not undermine any of its general and specific objectives, which include its climate and energy dimensions incorporated through the climate change mitigation and adaptation and the clean energy transition subprogrammes. Environmental integration can be achieved in projects falling under these domains, such as energy efficiency, renewable energy, adapting cities and regions to climate change, climate proofing and resilience of infrastructure, or capacity building for the clean energy transition. The LIFE programme also specifies that projects that achieve synergies and co-benefits between the four subprogrammes receive a bonus in their evaluation.

Furthermore, there are more cross-cutting areas that can equally benefit from an environmental integration focus, such as innovative clean technologies and solutions, sustainable finance, behavioural change and awareness-raising activities, and digitalisation.

<sup>39</sup> More information on LIFE integrated projects can be found on CINEA's website ([https://cinea.ec.europa.eu/publications/life-integrated-projects\\_en](https://cinea.ec.europa.eu/publications/life-integrated-projects_en)).

## Options for technical assistance

LIFE technical assistance for the preparation of SIPs/SNAPs: [https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/call-fiche\\_life-2021-ta-pp\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/life/wp-call/2021-2024/call-fiche_life-2021-ta-pp_en.pdf)

## Useful links and resources

- Legal basis for the fund: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R0783>
- Information about the programme on the EU Commission's website: [https://cinea.ec.europa.eu/life\\_en](https://cinea.ec.europa.eu/life_en)
- CINEA guide for applicants: [https://cinea.ec.europa.eu/life/life-support-applicants\\_en](https://cinea.ec.europa.eu/life/life-support-applicants_en)
- CINEA information days: [https://cinea.ec.europa.eu/events\\_en](https://cinea.ec.europa.eu/events_en)
- LIFE in European countries and national contact points: [https://cinea.ec.europa.eu/life/life-european-countries\\_en](https://cinea.ec.europa.eu/life/life-european-countries_en)

## Project examples

The programme has a long track record of success and is a popular funding instrument among the environmental community. There are many examples of successful projects that have been implemented with LIFE funding.

A database of the funded projects is available at <https://webgate.ec.europa.eu/life/publicWebsite/search/>

## LIFE IP CLEAN AIR

**Duration:** October 2018 to October 2024

**Beneficiary:** Bulgarian municipalities of Sofia (coordinator), Burgas, Ruse, Stara Zagora, Veliko Tarnovo and Montana, and Club 'Economika 2000'

**Beneficiary type:** local public authority / municipality

**Total budget:** EUR 16 666 266

**EU contribution:** EUR 9 999 760

*This project supports the municipalities of Sofia, Burgas, Veliko Tarnovo, Montana, Ruse and Stara Zagora in Bulgaria in their efforts to reduce air pollution and decrease emissions of particulate matter with a diameter of 10 microns or less (PM10) from household heating and other sources. With a combination of different activities including capacity building, awareness raising and the transfer of knowledge, LIFE IP CLEAN AIR contributes to achieving the following targets: fewer than 35 days per year of above-average daily levels of PM10, as required by EU and national legislation; reaching and maintaining average annual PM10 concentrations below the annual target for human health as determined by EU and national legislation; decreasing the highest registered 24-hour concentrations of M10; and decreasing PM2.5 and sulphur dioxide levels by reducing domestic coal and wood fire emissions.*

Source: [https://webgate.ec.europa.eu/life/publicWebsite/index.cfm?fuseaction=search.dspPage&nproj\\_id=7009](https://webgate.ec.europa.eu/life/publicWebsite/index.cfm?fuseaction=search.dspPage&nproj_id=7009)

Project website: <https://lifeipcleanair.eu/>





## LIFE-ECOTEX

**Duration:** September 2016 to November 2019

**Beneficiary:** GAIKER-IK4 (Spain) (coordinator), CTCR (Spain), BETA (Spain), EKOREC (Spain) and LOGROTEX (Spain)

**Beneficiary type:** companies

**Total budget:** EUR 1 246 048

**EU contribution:** EUR 735 827

*This project developed an innovative, eco-efficient and highly replicable recycling system for polyester textile waste. Polyester is the second largest family of plastics in terms of quantity used. However, in the footwear industry, up to 7 % of high-grade polyester textiles are lost during manufacturing. This waste is difficult to recycle, making landfilling and incineration the most frequent solution. Spain's LIFE-ECOTEX project set out to find a sustainable solution for this polyester waste by chemically recycling it via catalytic glycolysis. The process resulted in high added-value chemical monomers that were used again as a raw material to produce new footwear and insulation materials. This also increased the circularity of this industry and reduced greenhouse gas emissions. For example, manufacturing the new raw material cut emissions by 35 % compared with producing virgin polyester. In addition, a pair of shoe insoles made from the recycled polyester had a 23 % lower carbon footprint than insoles commonly used in trainers. The new method implied a fall in the amount of polyester textile waste being landfilled by 750 kg. The project developed 330 prototype shoe insoles and 24 insulation panels, which were manufactured with chemically recycled polyester. Several companies in the textile, automotive and packaging industries have started projects to replicate this chemical process.*

Source: [https://webgate.ec.europa.eu/life/publicWebsite/index.cfm?fuseaction=search.dspPage&n\\_proj\\_id=5798](https://webgate.ec.europa.eu/life/publicWebsite/index.cfm?fuseaction=search.dspPage&n_proj_id=5798)

Project website: <http://www.life-ecotex.eu/index.php/en/home/>

# Horizon Europe

*The largest transnational programme ever supporting research and innovation*

<h3>Key areas</h3> <p>Horizon Europe tackles climate change, helps to achieve the UN's sustainable development goals and boosts the EU's competitiveness and growth.</p> <p>The programme facilitates collaboration and strengthens the impact of research and innovation in developing, supporting and implementing EU policies while tackling global challenges. It supports the development and improves the sharing of knowledge and technologies.</p> <p>It creates jobs, fully engages the EU's talent pool, boosts economic growth, promotes industrial competitiveness and optimises investment impact within a strengthened European research area.</p>	<h3>Objective(s) and scope</h3> <p>The first strategic plan set out the key strategic aims for the targeting of investments in the programme's first 4 years:</p> <ul style="list-style-type: none"><li>• promoting an open strategic autonomy by leading the development of key digital, enabling and emerging technologies, sectors and value chains to accelerate and steer the digital and green transitions through human-centred technologies and innovations;</li><li>• restoring Europe's ecosystems and biodiversity, and sustainably managing natural resources to ensure food security and a clean and healthy environment;</li><li>• making Europe the first digitally enabled circular, climate-neutral and sustainable economy through the transformation of its mobility, energy, construction and production systems;</li><li>• creating a more resilient, inclusive and democratic European society that is prepared for and responsive to threats and disasters, addressing inequalities and providing high-quality healthcare, and empowering all citizens to act in the green and digital transitions.</li></ul>
<h3>Volume of funding</h3> <p>Horizon Europe has a budget of EUR 95.5 billion for 2021–2027. This includes EUR 5.4 billion from NextGenerationEU plus an additional reinforcement of EUR 4.5 billion. Of this budget, 35 % will contribute to climate change objectives.</p>	
<h3>Type of management</h3> <p>The programme is implemented through direct management or indirect management by the funding bodies. Funding under the programme is provided by means of indirect actions in any of the forms laid down in the financial regulation<sup>40</sup>; however, grants are the main form of support under the programme. The programme also supports investments in European partnerships that involve collaborations with Member States or industry. A significant part of Pillar II of Horizon Europe will be implemented through institutionalised partnerships, particularly in the areas of mobility, energy, the digital sector and the bio-based economy, which will also have separate work programmes.</p>	<h3>Targeted beneficiaries</h3> <p>Any legal entity, regardless of its place of establishment, including legal entities from non-associated non-EU countries or international organisations (including international European research organisations), is eligible to participate (whether it is eligible for funding or not), provided that the conditions laid down in the Horizon Europe regulation<sup>41</sup> have been met, along with any other conditions laid down in the specific call topic. To be eligible for funding, applicants must be established in the EU, associated countries or low- or middle-income countries. The associated countries are Armenia, Bosnia and Herzegovina, Georgia, Iceland, Israel, Kosovo, Moldova, Montenegro, North Macedonia, Norway, Serbia and Turkey, and association negotiations are currently being processed with Albania, the Faroe Islands, Morocco, Tunisia, Ukraine and the United Kingdom.</p>
<p><sup>40</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, OJ L 193, 30.7.2018, p. 1.</p>	<p><sup>41</sup> Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013, OJ L 170, 12.5.2021, p. 1.</p>
<h3>Type of funding</h3> <p>Horizon Europe offers grants as the main funding model, complemented with dedicated financial instruments, when appropriate.</p>	

## Components

The programme consists of three pillars and one part, which correspond to its main priorities.

**Pillar I: excellent science.** This pillar aims to increase the EU's global scientific competitiveness. It supports frontier research projects defined and driven by top researchers through the European Research Council. It also funds fellowships for postdoctoral researchers, doctoral training networks and exchanges for researchers through the Marie Skłodowska-Curie Actions programme and invests in world-class research infrastructures.

**Pillar II: global challenges and European industrial competitiveness.** This pillar supports research relating to societal challenges and reinforces technological and industrial capacities through clusters. It sets EU missions, with ambitious goals tackling some of our greatest problems. It also includes activities pursued by the Joint Research Centre, which supports EU and national policymakers by providing independent scientific evidence and technical support.

This pillar is broken down into six clusters, each of which is made up of individual expected impacts linked by overarching themes. The six clusters are:

1. health
2. culture, creativity and inclusive society
3. civil security for society
4. digital, industry and space
5. climate, energy and mobility
6. food, bioeconomy, natural resources, agriculture and environment.

Further to this, the Horizon Europe research and innovation programme has now introduced EU missions for 2021–2027 (including the ocean mission). These missions represent commitments to solving some of the greatest challenges facing our world. Each mission operates as a portfolio of actions – such as research projects, policy measures or even legislative initiatives – to achieve a measurable goal that could not be achieved through individual actions. These missions contribute to the goals of the European Green Deal, Europe's beating cancer plan and the sustainable development goals. The five EU missions are:

1. adaptation to climate change – supporting at least 150 European regions and communities to become climate resilient by 2030;
2. cancer – working with Europe's beating cancer plan to improve the lives of more than 3 million people by 2030 through prevention, cure and solutions to live longer and better;
3. restoring our ocean and waters by 2030;
4. 100 climate-neutral and smart cities by 2030;
5. a soil deal for Europe – 100 living laboratories and lighthouses to lead the transition towards healthy soils by 2030.

**Pillar III: innovative Europe.** This pillar aims to make Europe a frontrunner in market-creating innovation via the European Innovation Council (EIC). It also helps to develop the overall European innovation landscape through the European Institute of Innovation and Technology, which fosters the integration of the knowledge triangle of education, research and innovation.

The EIC aims to identify and support breakthrough technologies and game-changing innovations with the potential to scale up internationally and become market leaders. It supports all stages of innovation, from research and development on the scientific underpinnings of breakthrough technologies, to the validation and demonstration of breakthrough technologies and innovations to meet real-world needs, to the development and scaling up of start-ups and SMEs. All EIC awardees, as well as selected applicants, have access to a range of EIC business acceleration services providing access to leading expertise, corporate entities, investors and ecosystem actors. The EIC also undertakes additional activities, such as the giving of prizes.

**Part: widening participation and strengthening the European research area.** This part of Horizon Europe increases support for EU Member States in their efforts to make the most of their national research and innovation potential.

## Types of projects

The following activities are generally eligible for grants under Horizon Europe.

- **Research and innovation actions.** These are activities that aim primarily to establish new knowledge or to explore the feasibility of a new or improved technology, product, process, service or solution. This may include basic and applied research, technology development and integration, testing, or demonstration and validation of a small-scale prototype in a laboratory or simulated environment.
- **Innovation actions.** These are activities that aim to produce plans and arrangements or designs for new, altered or improved products, processes or services. These activities may include prototyping, testing, demonstrating, piloting, large-scale product validation and market replication.
- **Coordination and support actions.** These are activities that contribute to the objectives of Horizon Europe.
- **Programme co-fund actions.** This is a programme of activities established or implemented by legal entities managing or funding research and innovation programmes, other than EU funding bodies. Such a programme of activities may support networking and coordination, research, innovation, pilot actions, innovation and market deployment, training and mobility, awareness raising and communication, and dissemination and exploitation. It may also provide any relevant financial support, such as grants, prizes and/or procurement. The actions may be implemented by the beneficiaries directly or by providing financial support to third parties.
- **Innovation and market deployment actions.** These are activities that embed an innovation action and other activities that are necessary to deploy an innovation action on the market. This includes the scaling up of companies and Horizon Europe blended finance.
- **Training and mobility actions.** These are activities that aim to improve the skills, knowledge and career prospects of researchers, based on mobility between countries and, if relevant, between sectors or disciplines.

## Eligibility criteria

**Eligibility to participate.** Any legal entity, regardless of its place of establishment, including legal entities from non-associated non-EU countries or international organisations (including international European research organisations), is eligible to participate (whether it is eligible for funding or not), provided that the conditions laid down in the Horizon Europe regulation have been met, along with any other conditions laid down in the specific call topic.

**Eligibility for funding.** To be eligible for funding, applicants must be established in the EU, associated countries or low- or middle-income countries. Specific cases are set out in Annex A of the Horizon work programme<sup>42</sup>. Beneficiaries must register in the participant register before submitting applications. Legal entities forming a consortium are eligible to participate if the consortium includes at least one independent entity established in a Member State and at least two other independent legal entities established in different Member States or associated countries.

Projects must comply with ethical principles and applicants must complete an ethics self-assessment.

Projects involving classified and/or sensitive information must go through a security appraisal to authorise funding<sup>43</sup>.

Legal entities from Member States and associated countries that are public bodies, research organisations or higher education establishments (including private research organisations and higher education establishments) must have a gender equality plan to be eligible.

<sup>42</sup> European Commission, Horizon Europe work programme 2021-2022: 13. General annexes, Brussels, 2022 ([https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes_horizon-2021-2022_en.pdf)).

<sup>43</sup> European Commission, Horizon Europe work programme 2021-2022: 13. General annexes, Brussels, 2022 ([https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes_horizon-2021-2022_en.pdf)).

## Visibility requirements

Horizon Europe strengthens open access rights and obligations for beneficiaries. It requires immediate open access to all scientific publications and responsible research data management so that data are findable, accessible, interoperable and reusable. Open science practices are considered in the evaluation criteria for proposals.

## Opportunities for directly targeting the environment

Europe's economic and social prosperity and its quality of life, jobs and the environment depend on its ability to create knowledge and to innovate. Horizon Europe is expected to have a significant social and environmental impact. This impact will be created by disseminating, exploiting and taking up scientific results and translating them into new products, services and processes, which in turn will help successfully deliver on political objectives, as well as social and eco-innovation.

## Opportunities for environmental integration

Horizon Europe directly supports the environment and supports environmental integration in a cross-cutting manner. Several of the clusters are not environment focused but have the capacity to support environmental integration, in particular digital, industry and space (cluster 4), energy and mobility (cluster 5), and food, bioeconomy, natural resources and agriculture (cluster 6 excluding the environment aspect).

## Options for technical assistance

The Horizon Europe programme guide and work programme annexes contain information on eligibility, the application procedure and award criteria:

- [https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/programme-guide\\_horizon\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/programme-guide_horizon_en.pdf)
- [https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes\\_horizon-2021-2022\\_en.pdf](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/wp-call/2021-2022/wp-13-general-annexes_horizon-2021-2022_en.pdf)

European Commission's Horizon Europe page: [https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe\\_en](https://ec.europa.eu/info/research-and-innovation/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en)

European Commission's research enquiry service: [https://ec.europa.eu/info/research-and-innovation/contact/research-enquiry-service\\_en](https://ec.europa.eu/info/research-and-innovation/contact/research-enquiry-service_en)

## Useful links and resources

Horizon Europe programme for 2021–2027 presentation: [https://ec.europa.eu/info/sites/default/files/research\\_and\\_innovation/strategy\\_on\\_research\\_and\\_innovation/presentations/horizon\\_europe/ec\\_rtd\\_he-investing-to-shape-our-future.pdf](https://ec.europa.eu/info/sites/default/files/research_and_innovation/strategy_on_research_and_innovation/presentations/horizon_europe/ec_rtd_he-investing-to-shape-our-future.pdf)

### Project examples

A database of the funded projects is available at <https://cordis.europa.eu/projects/en>

### Ocean Sentinel

**Duration:** January 2018 to 30 June 2019

**Beneficiary coordinator:** Centre National de la recherche Scientifique (CNRS, France)

**Total budget:** EUR 150 000

**EU contribution:** EUR 150 000

*This project concerns threatened marine species including albatrosses, sharks and sea turtles, and thus is protecting the ecosystem. The project comprises an innovative technology to detect illegal fishing activity and gathers information for authorities, regional fishing and conservation agreements, and NGOs that are fighting to preserve the ocean and its inhabitants. The results are used as a basis for discussions in international fishing and conservation agreements.*

*The project developed a logger called CENTURION that coupled with an XGPS platform detecting and locating radar emissions, with a satellite transmission system (Argos) that would (1) instantaneously send the location of vessels to a receiving site, (2) deploy the logger on a wide range of animals used as platforms and (3) make immediately available the information obtained from the CENTURION logger through a website. The concept was tested in the southern Indian Ocean from the Crozet and Kerguelen Islands, where valuable and extensive fisheries operate in exclusive economic zones and over oceanic waters.*

Source: [https://ec.europa.eu/info/news/commission-announces-winners-horizon-impact-award-2020-2020-sep-23\\_en](https://ec.europa.eu/info/news/commission-announces-winners-horizon-impact-award-2020-2020-sep-23_en)

Project website: <https://cordis.europa.eu/project/id/780058>

# Cohesion Fund

*Strengthening the economic, social and territorial cohesion of the EU by supporting investments in the fields of environment and trans-European networks*

Key areas	Objective(s) and scope	Type of management
Trans-European transport networks, energy efficiency, renewable energy, intermodal transport, transport infrastructure, environmental infrastructure.	<p>The CF is one of the EU cohesion policy funds, which also include the ERDF, the ESF+ and the JTF.</p> <p>The CF encourages investments in priority trans-European transport networks and investments related to energy or transport that benefit the environment in terms of energy efficiency, the use of renewable energy, developing transport and supporting intermodal transport. An envelope of EUR 10 billion of CF funding has been earmarked to be implemented under the CEF to finance mostly major rail projects between cohesion countries.</p>	The CF is a fund in which management is shared between the European Commission and national and regional authorities in certain EU Member States. The Member States' authorities in charge of the administration of the CF choose which projects are to be supported (through grants and/or via financial instruments, e.g. a loan, equity or a guarantee).
Volume of funding		
EUR 48 billion		

## Components

The CF supports two of the five objectives of the EU cohesion policy (see also [Chapter 4](#) on the ERDF):

- PO 2 – a greener, low-carbon transition towards a net-zero carbon economy and resilient Europe by promoting a clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility;
- PO 3 – a more connected Europe by enhancing mobility through sustainable transport networks.
- In line with these two policy objectives, the CF also more specifically focuses on:
  - promoting energy efficiency and reducing greenhouse gas emissions;
  - promoting renewable energy and developing smart energy systems, grids and storage;
  - promoting climate change adaptation and disaster risk prevention and resilience;
  - promoting access to water and sustainable water management;
  - promoting the transition to a circular and resource-efficient economy;
  - enhancing the protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution;
  - promoting sustainable multimodal urban mobility, as part of transition to a net-zero carbon economy;
  - developing a climate-resilient, intelligent, secure, sustainable and intermodal trans-European transport network;
  - developing and enhancing sustainable, climate-resilient, intelligent and intermodal national, regional and local mobility, including improved access to the trans-European transport network and cross-border mobility.

## Type of funding

Member States can use the contribution from the CF to provide support to beneficiaries in the form of grants, financial instruments or prizes, or a combination thereof. Financial instrument products may include loans, guarantees, equity or quasi-equity. Moreover, MAs can tailor financial products according to their needs and capabilities or structure the financial instrument based on terms and conditions provided by the European Commission for 'off-the-shelf' instruments.

## Targeted beneficiaries

You can apply for funding under the CF only if you are based in a Member State with a gross national income per capita below 90 % of the EU-27 average, a requirement aimed at strengthening the economic, social and territorial cohesion of the EU by supporting the less developed regions across the EU. Only the following countries can benefit from the CF: Bulgaria, Czechia, Estonia, Greece, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovenia and Slovakia.

The type of beneficiaries eligible to receive CF support is decided by the country's or region's MA. For example, if your organisation is a small or medium-sized enterprise (SME), a large enterprise, a research organisation, a public authority, an NGO or a civil society organisation, you might be eligible for funding under the CF.

## Types of projects

- Investments in the environment
- Investments related to sustainable development and energy presenting environmental benefits, with a particular focus on renewable energy
- Investments in transport infrastructure (the trans-European transport network)

MAAs must ensure that programme interventions respect the DNSH principle and fulfil the enabling conditions as prescribed in the common provisions regulation. As such, for your project to be selected by the MA, it will have to be aligned with these requirements. The type of projects supported, the assessment and the selection criteria also all depend on the individual programme. Moreover, your project has to comply with the relevant environmental legislations (regional, national and European).

## Eligibility criteria

To receive funding, there are certain rules provided under the EU regulation, complemented by national eligibility rules that the country's or region's MA may apply, such as:

- time period – there are limits on the period during which operations and expenditure can take place;
- scope of intervention – there are restrictions on the types of activities that can be co-financed;
- cost categories – certain cost categories are excluded;
- geographical location of operations – only certain locations are eligible;
- durability of operations – investments may have to be maintained for a minimum period after the operation is completed;
- types of beneficiaries – only certain enterprises, bodies or economic actors are eligible for support.

## Visibility requirements

If you are implementing a CF-funded project, you have to acknowledge support from the funds, including the resources reused. For instance, you must provide, on the project's official website (where such a site exists) and on social media sites, a short description of the operation, proportionate to the level of support, including its aims and results, and highlighting the financial support from the EU<sup>44</sup>.

<sup>44</sup> Further details on the responsibilities of beneficiaries are available in European Commission, Communicating Cohesion Policy in 2021-2027, 2020 ([https://ec.europa.eu/regional\\_policy/2021-2027\\_en](https://ec.europa.eu/regional_policy/2021-2027_en)).

## Opportunities for directly targeting the environment

As per the second policy objective (PO 2), the CF may directly target the environment, for example by funding projects enhancing the protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollutions.

## Opportunities for environmental integration

The environmental relevance of the CF is particularly significant in terms of its support for projects related to energy or transport, as long as they clearly benefit the environment in terms of energy efficiency, the use of renewable energy, developing rail transport, supporting intermodality, strengthening public transport, etc.

## Options for technical assistance

Support for project applicants may be delivered by intermediary bodies or a particular department of the MA. Advice can notably be provided on how to fill out an application form, how to ensure that the project idea is in line with the CF programme, how to set up a financial plan and how to select indicators to monitor the implementation of the project.

## Useful links and resources

- Accessing the funds: [https://ec.europa.eu/regional\\_policy/en/funding/accessing-funds/](https://ec.europa.eu/regional_policy/en/funding/accessing-funds/)
- MAAs: [https://ec.europa.eu/regional\\_policy/en/atlas/managing-authorities/](https://ec.europa.eu/regional_policy/en/atlas/managing-authorities/)
- The legal basis for the fund: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1058>

## Project examples

A database of examples of funded projects is available at [https://ec.europa.eu/regional\\_policy/projects/projects-database\\_en](https://ec.europa.eu/regional_policy/projects/projects-database_en)

In addition, Kohesio is a European Commission tool that allows you to browse EU projects in your region (<https://kohesio.ec.europa.eu/>)

# European Regional Development Fund: Investment for jobs and growth goal

*Strengthening economic, social and territorial cohesion in the EU by correcting imbalances between its regions*

<p><b>Key areas</b></p> <p>Innovation, SME competitiveness, digitalisation, energy efficiency, renewable energy, energy network, climate change mitigation and adaptation, disaster risk management, access to water, circular economy, waste management, nature protection, biodiversity, mobility, transport infrastructure, employment, education, skills, social inclusion, access to healthcare, culture, sustainable tourism.</p>	<p><b>Objective(s) and scope</b></p> <p>The ERDF is one of the EU cohesion policy funds, which also include the ESF+, the CF and the JTF.</p> <p>The ERDF's objective is to strengthen economic, social and territorial cohesion in the EU by correcting imbalances between its regions. The ERDF principally aims to enable EU countries and regions to become more competitive and smarter (through innovation, the development of an inclusive digital society and support for SMEs), greener (through a reduction in greenhouse gas emissions, improved water and waste management, protection of the environment, preserving biodiversity and reducing pollution), more connected (through enhanced mobility), more social (via support for effective and inclusive employment, enhancing the role of culture and sustainable tourism) and 'closer to citizens' (fostering sustainable urban development).</p>
	
<p><b>Volume of funding</b></p> <p>EUR 274 billion</p>	
<p><b>Components</b></p>	
<p>Support through the ERDF is related to all five policy objectives set for the EU's cohesion policy, with minimum financial allocation required for the two first policy objectives (this is referred to as thematic concentration):</p> <ul style="list-style-type: none"> <li>• PO 1 – a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity;</li> <li>• PO 2 – a greener, low-carbon transition towards a net-zero carbon economy and resilient Europe by promoting a clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility;</li> <li>• PO 3 – a more connected Europe by enhancing mobility;</li> <li>• PO 4 – a more social and inclusive Europe;</li> <li>• PO 5 – a Europe that is closer to citizens by fostering the sustainable and integrated development of all types of territories.</li> </ul> <p>The Member States' authorities will concentrate at least 30 % of their allocation to PO 2. More developed regions or Member States will dedicate at least 85 % of their allocation to PO 1 and PO 2. Transition regions or Member States will dedicate at least 40 % of their allocation to PO 1, and less developed regions or Member States will dedicate at least 25 % of their allocation to PO 1.</p>	
<p><b>Type of management</b></p> <p>The ERDF is a fund in which management is shared between the European Commission and national and regional authorities in each EU Member State. The Member States' authorities in charge of the administration of the ERDF choose which projects are to be supported (through grants and/or via financial instruments, e.g. a loan, equity or a guarantee). The ERDF operates according to the co-financing principle (i.e. whenever a project is to receive funding, the Member States' authorities must also provide funding from their own budget). The maximum co-financing rate varies according to the development level of the region concerned.</p>	<p><b>Type of funding</b></p> <p>Member States can use the contribution from the ERDF to provide support to beneficiaries in the form of grants, financial instruments or prizes, or a combination thereof. Financial instrument products may include loans, guarantees, equity or quasi-equity. Moreover, MAs can tailor financial products according to their needs and capabilities or structure the financial instrument based on terms and conditions provided by the European Commission for 'off-the-shelf' instruments.</p>



## Targeted beneficiaries

The decision on which project promoters are eligible to receive ERDF support is made by the country's or region's MA. For example, you may be eligible if your organisation is an SME, a large enterprise, a research organisation, a public authority, an NGO or a civil society organisation.

## Types of projects

The specific types of ERDF-supported projects vary based on the choices of the country's or region's MA. Generally, the support from the ERDF covers:

- investments in infrastructure;
- activities for applied research and innovation, including industrial research, experimental development and feasibility studies;
- investments in access to services;
- productive investments in SMEs and investments aiming to safeguard existing jobs and create new jobs;
- investments in equipment, software and intangible assets;
- investments in networking, cooperation, the exchange of experiences, and activities involving innovation clusters, including between businesses, research organisations and public authorities;
- investments in information, communication and studies;

MAs must ensure that programme interventions respect the DNSH principle and fulfil the enabling conditions as prescribed in the common provisions regulation. As such, the projects then selected by the MA will be aligned with these requirements. The type of projects supported, the assessment and the selection criteria also all depend on the individual programme. Moreover, as a beneficiary, you will have to comply with the relevant environmental legislations (regional, national and European).

## Eligibility criteria(s) and scope

To receive funding, there are certain rules provided under the EU regulation, complemented by national eligibility rules that the country's or region's MA may apply, such as:

- time period – there are limits on the period during which operations and expenditure can take place;
- scope of intervention – there are restrictions on the types of activities that can be co-financed;
- cost categories – certain cost categories are excluded;
- geographical location of operations – only certain locations are eligible;
- durability of operations – investments may have to be maintained for a minimum period after the operation is completed;
- types of beneficiaries – only certain enterprises, bodies or economic actors are eligible for support.

## Visibility requirements

Beneficiaries and bodies implementing ERDF-funded projects must acknowledge support from the funds, including the resources reused. For instance, beneficiaries must provide, on the project's official website (where such a site exists) and social media sites, a short description of the operation, proportionate to the level of support, including its aims and results, and highlighting the financial support from the EU<sup>45</sup>.

45 Further details on the responsibilities of beneficiaries are available in European Commission, Communicating Cohesion Policy in 2021-2027, 2020 ([https://ec.europa.eu/regional\\_policy/2021-2027\\_en](https://ec.europa.eu/regional_policy/2021-2027_en)).

## Opportunities for directly targeting the environment

As per the second policy objective, the ERDF may directly target the environment, for example by funding projects enhancing the protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution. Likewise, the fund can support circular economy initiatives that may help to reduce the amount of waste generated. The ERDF also finances projects dealing with water supply and sanitation, including wastewater treatment and solid waste management. All these projects contribute to reducing pollution and fostering a more efficient use of resources.

## Opportunities for environmental integration

The ERDF supports investment in innovation, demonstration, piloting and commercialisation activities that enhance the deployment of new technologies that are necessary for the transition to a greener economy. The ERDF may also indirectly contribute to environmental sustainability by enabling SMEs to acquire more energy-efficient equipment or implement energy-saving measures, thereby reducing business costs and increasing competitiveness. Promoting energy efficiency and reducing greenhouse gas emissions is one of the main focuses of the ERDF. Support for innovation that contributes to sustainable production processes and support for more sustainable modes of transports (e.g. via smart and green mobility solutions) also have indirect environmental benefits.

## Options for technical assistance

Support for project applicants may be delivered by intermediary bodies or a particular department of the MA. Advice can notably be provided on how to fill out an application form, how to ensure that the project idea is in line with the ERDF programme, how to set up a financial plan and how to select indicators to monitor the implementation of the project.

The project application package provided by the MA may also include guidance documents or questionnaires on the environment or sustainable development in general to foster the integration of environmental concerns into the design of your project.

## Useful links and resources

- Further information on the ERDF: [https://ec.europa.eu/regional\\_policy/funding/erdf\\_en](https://ec.europa.eu/regional_policy/funding/erdf_en)
- Accessing regional funds: [https://ec.europa.eu/regional\\_policy/en/funding/accessing-funds/#2](https://ec.europa.eu/regional_policy/en/funding/accessing-funds/#2)
- Contact information for the ERDF MAs: [https://ec.europa.eu/regional\\_policy/in-your-country/managing-authorities\\_en](https://ec.europa.eu/regional_policy/in-your-country/managing-authorities_en)
- ERDF financial instruments: <https://www.fi-compass.eu/funds/erdf>

## Project examples

A database of examples of funded projects is available at [https://ec.europa.eu/regional\\_policy/projects/projects-database\\_en](https://ec.europa.eu/regional_policy/projects/projects-database_en)

In addition, Kohesio is a European Commission tool that allows you to browse EU projects in your region (<https://kohesio.ec.europa.eu/>).

## *DaRe to Connect project – Supporting the Danube region’s ecological connectivity by linking Natura 2000 areas along the European green belt*

**Duration:** June 2018 to May 2021

**Beneficiary coordinator:** Bavarian branch of BUND (Germany)

**Type of beneficiary:** NGO

**Total budget:** EUR 2 086 654

**EU contribution:** EUR 1 684 032

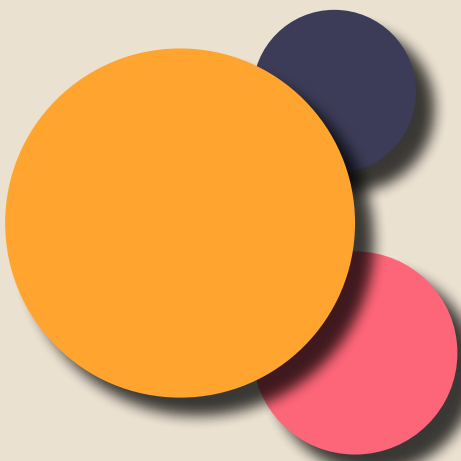
*With the European green belt, an extraordinary ecological network and living memorial landscape was developed along the former Iron Curtain. In the area of the Interreg Danube transnational programme, the European green belt connects 10 countries. It forms a backbone of the pan-European ecological network and provides a significant contribution to EU green infrastructure and the trans-European network for green infrastructure.*

*However, the green belt was suffering from a certain degree of insufficiently connected habitats and valuable landscapes. The main objective of the ‘DaRe to Connect’ project was therefore the implementation of the EU Danube strategy through further transnational development of the connectivity of the green belt by maintaining and enhancing ecosystems and their services.*

*The project defined ecological corridors between Natura 2000 areas at transnational and macro-regional level and provided concrete guidance on the establishment of transnational ecological corridors connecting Natura 2000 areas at local and regional levels. Results were mainstreamed via a transnational strategic vision entitled ‘Green belt in the Danube region 2030’ and were endorsed by national political stakeholders.*

*Project partners were committed to further preserving the European green belt as the backbone of Europe’s green infrastructure and biodiversity. They requested that the governments of the countries along the European green belt include the green belt in their spatial development plans and create appropriate economic conditions enabling agriculture and forestry to provide ecologically valuable services. They also encouraged the governments of the countries along the European green belt to support the nomination of the green belt as a UNESCO world natural and cultural heritage site.*

Source / project website: <https://www.interreg-danube.eu/approved-projects/d2c>



# European Regional Development Fund: European territorial cooperation goal (Interreg programmes)

A goal that fosters cooperation and overcomes the obstacles of borders

Key areas	Objective(s) and scope
<p>Environment, climate, sustainable energy, innovation, employment, social, digital, transport, governance and democracy, migration.</p>	<p>Interreg / European territorial cooperation programmes directly contribute to the achievement of cohesion policy objectives. The financial allocations of these programmes stem from the ERDF (as well as, in some cases, from the Instrument for Pre-accession Assistance; the Neighbourhood, Development and International Cooperation Instrument; and overseas countries and territories programmes). However, owing to their special nature, these programmes are implemented differently from mainstream ERDF programmes</p>
<p><b>Volume of funding</b></p> <p>EUR 8 billion from the ERDF + EUR 2 billion of external funding</p>	<p>The aim of Interreg programmes is to promote cooperation between regions and countries to support their economic and social development and tackle the obstacles of borders. Interreg also reinforces cooperation between the EU's outermost regions and neighbouring countries. The programmes may contribute to the five policy objectives of the cohesion policy for 2021–2027, namely:</p> <ul style="list-style-type: none"> <li>• PO 1 – a more competitive and smarter Europe;</li> <li>• PO 2 – a greener, low-carbon transition towards a net-zero carbon and resilient Europe;</li> <li>• PO 3 – a more connected Europe;</li> <li>• PO 4 – a more social and inclusive Europe;</li> <li>• PO 5 – a Europe closer to citizens.</li> </ul> <p>The programmes may also contribute to two Interreg-specific objectives, namely:</p> <ol style="list-style-type: none"> <li>1. improved cooperation in terms of governance;</li> <li>2. a safer and more secure Europe.</li> </ol> <p>Interreg programmes must focus their support (this is referred to as thematic concentration) on a given number of policy objectives, and PO 2 must always be included.</p>

## Components

There are four types (or strands) of Interreg programmes:

1. **cross-border cooperation (Interreg A)** focuses on promoting integrated regional development between neighbouring land and maritime border regions;
2. **transnational cooperation (Interreg B)** promotes cooperation between national, regional and local partners in transnational programme areas in order to increase the territorial integration of these areas;
3. **interregional cooperation (Interreg C)** focuses on the reinforcement of the effectiveness of the cohesion policy on a pan-European level and does not only involve the 27 EU Member States but also neighbouring countries; it promotes networking, innovative approaches and capacity building with the aim of identifying and transferring good practices and strengthening the exchange of experiences in the field of regional and urban development, as well as analysing development trends in relation to the aims of territorial cohesion;
4. **outermost regions' cooperation (Interreg D)** supports cooperation among the outermost regions themselves and with their neighbouring countries, overseas countries and territories, and regional integration and cooperation organisations to facilitate regional integration and development in their neighbourhood.

## Type of management

Interreg programmes are implemented in line with the principle of **shared management** (i.e. shared between the European Commission and the MA located in one of the Interreg programme's participating Member States). The MA is a body that supervises the overall implementation of an Interreg programme. It is assisted by a joint secretariat, which supports the MA in the day-to-day management of a programme. The joint secretariat is also the main contact point for applicants and project partners.

The co-financing rate for Interreg programmes is generally a maximum of 80 %, although with possibilities for higher co-financing rates for Interreg D programmes (outermost regions) and for external cross-border cooperation programmes (see below for further details on the four stands of Interreg).

## Type of funding

Interreg programmes can provide support to beneficiaries in the form of grants, financial instruments or prizes, or a combination thereof. Under Interreg programmes, the most common type of support is grants.

## Targeted beneficiaries

The type of beneficiaries eligible to receive support is decided by the programme's MA. For example, you may be eligible if your organisation is an SME, a large enterprise, a research organisation, a public authority, an NGO or a civil society organisation.

## Eligibility criteria

The eligibility criteria depend on the type (strand) of Interreg programme and the content set out in each specific programme. General criteria include the type of organisation and a minimum size of the consortium. In addition, applicants may be eligible if they are located in the area that is covered by the specific programme. Likewise, as cooperation between several countries is required, the partnership/consortium must include partners from other countries/regions addressed by the specific programme.

## Types of projects

Interreg A, B and D programmes support cooperation through project funding to jointly tackle common challenges and to find shared solutions in fields such as health, the environment, research, education, transport, sustainable energy and tourism. Examples of projects include preparing sustainable management models for natural and cultural heritage assets, developing and integrating green infrastructure, encouraging SMEs to assess and address resource use issues and reducing waste volumes in SMEs and households. Interreg C programmes often support more intangible actions such as capacity building and the exchange of experiences, mostly among public authorities.

## Visibility requirements

Unique Interreg branding should be used on all communication material in 2021–2027<sup>46</sup>.

<sup>46</sup> For more detailed information, see the Interreg Brand Design Manual 2021–2027 and the dedicated presentations (<https://www.interact-eu.net/library/#3636-interreg-brand-design-manual-2021-2027>).



## Opportunities for directly targeting the environment

As per the second policy objective, the ERDF may directly target the environment, for example by funding projects enhancing the protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollutions. Projects funded under Interreg often address pollution problems, loss of biodiversity, etc., as these are issues that extend beyond national boundaries.

## Opportunities for environmental integration

Depending on their selected priorities, European territorial cooperation programmes could play a significant role in contributing to sustainable development. The most important contribution in this regard relates to the transnational or cross-border nature of the programmes.

## Options for technical assistance

Support for potential beneficiaries is typically provided by the MA, the joint secretariat or an intermediary. Concrete support differs from programme to programme and can include guidance documents on how to develop a project idea, hand in an application or fill out application forms; seminars and workshops showcasing procedures; and targeted support for potential beneficiaries as an on-demand service.

## Useful links and resources

- Commission's website: [https://ec.europa.eu/regional\\_policy/en/policy/cooperation/european-territorial/](https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/)
- Interreg's website: <https://interreg.eu/>
- Project promoters in countries that are candidates or potential candidates for EU membership should contact the Instrument for Pre-Accession Assistance: [https://ec.europa.eu/regional\\_policy/policy/what/glossary\\_en](https://ec.europa.eu/regional_policy/policy/what/glossary_en)
- Interreg project database: <https://keep.eu/projects/>
- The legal basis: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1059&from=EN>

# European Social Fund Plus

National, sectoral or regional programmes to support the improvement of employment and social inclusion

<p><b>Key areas</b></p> <p>Labour market access, skilled workforce, vocational training, disadvantaged groups and social inclusion.</p>	<p><b>Objective(s) and scope</b></p> <p>The ESF+ is one of the EU cohesion policy funds, which also include the ERDF, the CF, Interreg (European territorial cooperation) and the JTF. The main goal of the ESF+ is the creation of more and better jobs, as well as to support a socially inclusive society. Through the ESF+, the aim is for Member States to achieve high employment levels, social protection and a skilled and resilient workforce and, ultimately, eradicate poverty. The fund supports projects in the fields of equal opportunities, equal access to the labour market, fair and high-quality working conditions, social protection and inclusion, quality and inclusive education and training, lifelong learning, investment in children and young people, and access to basic services. Therefore, if your intended project aligns with any of those fields, you might be eligible, depending on your Member State's or region's programme.</p> <p>The ESF+ focuses on support in the policy areas of employment and labour mobility, education and social inclusion, including poverty eradication, and therefore contributes to one of the policy objectives of the cohesion policy for 2021–2027, namely 'a more social and inclusive Europe implementing the European Pillar of Social Rights' (PO 4).</p>
<p><b>Components</b></p> <p>In the area of employment and labour mobility, the fund supports measures improving access to the job market, modernising labour market institutions, promoting gender-balanced labour market participation and promoting the adaptation of workers, enterprises and entrepreneurs to change. For the improvement of education levels and labour mobility, the fund supports improvements in the quality, effectiveness and labour market relevance of education and training systems, promoting equal access to inclusive education and training and to lifelong learning. The fund focuses particularly on measures focused on disadvantaged groups and young persons. To address the topic of social inclusion and poverty eradication, the fund in particular supports active inclusion and equal opportunity measures; socioeconomic integration of non-EU nationals and marginalised communities; general access to services such as housing, healthcare and social protection; the social integration of people at risk of poverty or social exclusion; and the provision of food and material assistance as a means of addressing material deprivation.</p>	<p><b>Type of funding</b></p> <p>Member States can use the contribution from the ESF+ to provide support to beneficiaries in the form of grants, financial instruments or prizes, or a combination thereof. Financial instrument products may include loans, guarantees, equity or quasi-equity. Moreover, MAs can tailor financial products according to their needs and capabilities or structure the financial instrument based on terms and conditions provided by the European Commission for 'off-the-shelf' instruments.</p>
<p><b>Volume of funding</b></p> <p>EUR 99 billion</p>	<p><b>Type of management</b></p> <p>Management of the ESF+ is shared between the European Commission and national and regional authorities in each EU Member State. The Member States' authorities in charge of the administration of the ESF+ choose which projects are to be supported (through grants and/or via financial instruments, e.g. a loan or a guarantee).</p>
<p><b>Targeted beneficiaries</b></p> <p>The decision on whether you are eligible as a beneficiary to receive ESF+ support is made by the country's or region's MA. For example, if your organisation is an SME, a large enterprise, a research organisation, a public authority, an NGO or a civil society organisation, you might potentially be eligible as a beneficiary.</p>	
<p><b>Visibility requirements</b></p> <p>The beneficiaries of the funds have to ensure the visibility of the EU funding, in particular when promoting the funded action and the results. Concrete requirements depend on the individual programmes and national rules (see Article 36 of the ESF+ regulation<sup>47</sup>).</p>	
<p><small>47 Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013, OJ L 231, 30.6.2021, p. 21.</small></p>	

## Types of projects

The specific types of projects funded through the ESF+ are defined in each country's or region's programme. Generally, support from the ESF+ covers the following types of investments:

- education programmes and initiatives
- adult workforce reskilling
- initiatives for young people, in particular labour market access
- labour market access for disadvantaged or marginalised groups
- access to services, in particular for disadvantaged groups
- material support
- studies
- networking, cooperation and the exchange of experiences.

MAs must ensure that programme interventions respect the DNSH principle and fulfil the enabling conditions as prescribed in the common provisions regulation. As such, the projects then selected by the MA will be aligned with these requirements. The type of projects supported, the assessment and the selection criteria also all depend on the individual programme. Moreover, your project will have to comply with the relevant environmental legislations (regional, national and European).

## Eligibility criteria

In general, eligibility criteria are defined on the basis of national rules, with some general rules stemming from the overall legal framework. Each programme can define eligibility criteria, such as:

- time period – there are limits on the period during which operations and expenditure can take place;
- scope of intervention – there are restrictions on the types of activities that can be co-financed;
- cost categories – certain cost categories are excluded;
- geographical location of operations – only certain locations are eligible;
- durability of operations – investments may have to be maintained for a minimum period after the operation is completed;
- types of beneficiaries – only certain enterprises, bodies or economic actors are eligible for support.

## Opportunities for directly targeting the environment

Not applicable

## Opportunities for environmental integration

Environmental issues are not a key focus area of the ESF+. However, ESF+ programmes' interventions are linked to and must contribute to the green transition and green economy. Therefore, by supporting labour market reintegration projects or educational programmes linked to the circular economy, energy efficiency and other aspects of the green economy, the ESF+ can support the development of new skills needed to adapt to climate change and help enterprises evolve in that direction.

## Options for technical assistance

Support for potential beneficiaries is typically provided by the MA or an intermediary. Concrete support differs from programme to programme and can include guidance documents on how to develop a project idea, hand in an application or fill out application forms; seminars and workshops showcasing procedures; or targeted support for potential beneficiaries as an on-demand service.

## Useful links and resources

- European Commission web page on the ESF+: <https://ec.europa.eu/european-social-fund-plus/en>
- ESF+ transnational cooperation platform: <https://ec.europa.eu/european-social-fund-plus/en/transnational-cooperation-platform>
- ESF financial instruments: <https://www.fi-compass.eu/video/esf-financial-instruments-action-impact-and-success-stories>

## Project examples

The following are databases of the funded projects:

- [https://ec.europa.eu/regional\\_policy/projects/projects-database\\_en](https://ec.europa.eu/regional_policy/projects/projects-database_en)
- <https://ec.europa.eu/esf/main.jsp?catId=46&langId=en&list=1> (from previous ESF period)

## Green jobs programme

**Duration:** 2007 to December 2015

**Beneficiary:** Fundacion Biodiversidad (Ministry of Environment, Spain)

**Beneficiary type:** national public institution

**Total budget:** EUR 45 000 000

**EU contribution:** EUR 22 500 000

*The aim of the project was to empower companies and individuals to exploit opportunities in the environmental sector. Grants were therefore distributed in the form of several projects on a scale from EUR 40 000 to EUR 400 000. The projects promoted sustainability, eco-innovation and the modernisation of business through the implementation of different forms of environmental management systems. Particular attention was paid to helping workers in declining economic sectors reskill for the green jobs market. The activities funded through the project were numerous and included training courses, conferences, information campaigns, studies, guides and professional advice. For example, one project consisted in the creation of a green business network promoting SME start-ups and channelling investment into environmentally sustainable ventures. As a result, more than 2 500 green businesses were supported in their creation or growth, and around 60 000 people acquired new skills.*

Source: <https://ec.europa.eu/esf/main.jsp?catId=46&langId=en&projectId=242>



# Just Transition Fund

Support for the green transition of the EU regions that rely on fossil-fuel and high-emission industries

Key areas	Objective(s) and scope
<p>Productive investments in SMEs, creation of new firms, research and innovation, digitalisation and digital connectivity, environmental rehabilitation, clean/renewable energy, circular economy, upskilling and reskilling of workers, job-search assistance and active inclusion of jobseekers' programmes, transformation of existing carbon-intensive installations when these investments lead to substantial emission cuts and job protection.</p>	<p>The JTF is an EU funding tool for regions dependent on fossil-fuel- and greenhouse-gas-intensive industries. The aim is to help them prepare for the transition necessary to achieve at least a 55 % reduction in emissions by 2030, and climate neutrality by 2050. Specifically, the JTF will alleviate the socioeconomic costs triggered by the climate transition, supporting the economic diversification and reconversion of the regions concerned, helping people to adapt to the changing labour market. The JTF is the first pillar of the Just Transition Mechanism (JTM). The JTM is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. The JTM includes two other pillars.</p> <ol style="list-style-type: none"><li>1. A scheme under InvestEU (the InvestEU Just Transition Scheme) aims to mobilise private investments (see <a href="#">Chapter 4</a> on the InvestEU Fund for more details).</li><li>2. A public sector loan facility (PSLF) generates public investment through preferential lending conditions. The PSLF targets public sector institutions and consists of a grant component and a loan and advisory support component. The grant component is managed by the European Commission (the Directorate-General for Regional and Urban Policy and CINEA) and the loan component is managed by a financing partner. The grant component has an EU budget of EUR 1.495 billion and the loans are provided by the EIB with a total value of EUR 10 billion. Dedicated advisory support is available under the InvestEU Advisory Hub, with a budget of EUR 2.5 million to support the preparation, development and implementation of projects, as well as for strengthening the capacities of beneficiaries and loan scheme coordinators. The PSLF is delivered through a call for proposals managed by CINEA. It will be launched in 2022 provided that a sufficient number of territorial just transition plans are adopted<sup>48</sup>.</li></ol>
Components	
<p>Based on the activities funded by the JTF, its components can be defined as follows:</p> <ul style="list-style-type: none"><li>• environment (e.g. land restoration, the circular economy, sustainable mobility and green infrastructure)</li><li>• energy (e.g. renewable energy, energy efficiency and upgrading of district heating)</li><li>• innovation (e.g. research and innovation activities in universities and digitalisation)</li><li>• social (e.g. job upskilling and reskilling, social inclusion and education).</li></ul>	
Volume of funding	
<p>EUR 7.5 billion under the MFF for 2021–2027 + EUR 10 billion from the European Recovery Instrument for 2021–2023</p> <p>This budget may be voluntarily increased by the Member States by transferring resources from the ERDF and ESF+ under certain conditions. Funds are also available through the PSLF: EUR 1.5 billion of grants, financed from the EU budget, with EUR 10 billion of loans from the EIB, to mobilise between EUR 25 billion and EUR 30 billion of public investment.</p>	
Type of management	
<p>Management of the JTF is shared between the European Commission and national and regional authorities in certain EU Member States. The Member States' authorities in charge of the administration of the JTF choose which projects are to be supported.</p>	

<sup>48</sup> Information about the PSLF can be found on the European Commission's website [https://cinea.ec.europa.eu/funding-opportunities/calls-proposals/just-transition-mechanism-public-sector-loan-facility-call-proposals\\_en](https://cinea.ec.europa.eu/funding-opportunities/calls-proposals/just-transition-mechanism-public-sector-loan-facility-call-proposals_en).

## Useful links and resources

Legal basis for the JTF: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R1056>  
Information about the JTF: [https://ec.europa.eu/regional\\_policy/de/funding/jtf/](https://ec.europa.eu/regional_policy/de/funding/jtf/)  
Legal basis for the PSLF: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R1229>  
Information about the PSLF:  
• [https://ec.europa.eu/regional\\_policy/funding/just-transition-fund/just-transition-platform\\_en](https://ec.europa.eu/regional_policy/funding/just-transition-fund/just-transition-platform_en)  
• [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_21\\_1935](https://ec.europa.eu/commission/presscorner/detail/en/IP_21_1935)  
MAs: [https://ec.europa.eu/regional\\_policy/en/atlas/managing-authorities/](https://ec.europa.eu/regional_policy/en/atlas/managing-authorities/)  
Q&A on accessing the fund: [https://ec.europa.eu/regional\\_policy/en/funding/accessing-funds/#2](https://ec.europa.eu/regional_policy/en/funding/accessing-funds/#2)  
Database of funded projects: <https://ec.europa.eu/european-social-fund-plus/en/projects>

## Targeted beneficiaries

The type of beneficiaries eligible to receive JTF support is decided by the country's or region's MA. For example, beneficiaries may be SMEs, large enterprises, research organisations, public authorities, NGOs or civil society organisations.

### Types of projects

To achieve the transition to a climate-neutral economy, the EU will support carbon-intensive regions in diversifying their economies and creating new jobs.

Activities supported by the JTF will include:

- innovation projects;
- projects that contribute to a transition to a sustainable, climate-neutral and circular economy, including measures that aim to increase resource efficiency;
- infrastructure development for affordable clean energy, including energy storage technologies;
- rehabilitation and the upgrading of district heating networks;
- projects that support local sustainable growth;
- consultancy services that contribute to the measure supported by the JTF;
- the development of green infrastructure and water management;
- regeneration and the decontamination of brownfield sites;
- investments in enhancing the circular economy;
- projects that increase energy efficiency and the use of renewable energy;
- social projects, including the upskilling and reskilling of workers, social inclusion and job-search assistance.

### Type of funding

The JTF primarily provides grant financing; however, private investments can be garnered through InvestEU and public financing can be leveraged through the EIB.

### Eligibility criteria

The Member States together with the Commission will identify the territories and sectors eligible for funding under the JTF (i.e. the territories that are expected to suffer the most from the transition to climate neutrality). The project selection criteria are identified individually by the Member States.

### Visibility requirements

Beneficiaries and bodies implementing JTF-funded projects must acknowledge support from the funds, including the resources reused. For instance, beneficiaries must provide, on the project's official website (where such a site exists) and social media sites, a short description of the operation, proportionate to the level of support, including its aims and results, and highlighting the financial support from the EU<sup>49</sup>.

<sup>49</sup> Further details on the responsibilities of beneficiaries are available on the European Commission's website ([https://ec.europa.eu/regional\\_policy/2021-2027\\_en](https://ec.europa.eu/regional_policy/2021-2027_en)).

## Opportunities for directly targeting the environment

The JTF makes a direct contribution to the environment by supporting projects that aim to enhance the circular economy, develop green infrastructure and clean energy, or perform environmental rehabilitation, including land restoration.

## Opportunities for environmental integration

The environment is integrated through the JTF by it financing projects that contribute to a transition to a sustainable, climate-neutral economy, including measures that aim to increase resource efficiency. Investments related to the production, processing, transport, distribution, storage or combustion of fossil fuels will not be supported.

## Options for technical assistance

### For Member States

- Just Transition Platform: [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/finance-and-green-deal/just-transition-mechanism_en)
- InvestEU Advisory Support for the PSLF: <https://eiah.eib.org/about/service/working-towards-a-just-transition.htm>
- Structural reform support programme: [https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/technical-support-instrument/technical-support-instrument-tsi\\_en](https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/technical-support-instrument/technical-support-instrument-tsi_en)
- Initiative for coal regions in transition: [https://energy.ec.europa.eu/topics/oil-gas-and-coal/eu-coal-regions/secretariat-technical-assistance-regions-transition-start\\_en](https://energy.ec.europa.eu/topics/oil-gas-and-coal/eu-coal-regions/secretariat-technical-assistance-regions-transition-start_en)
- Secretariat Technical Assistance to Regions in Transition (START): [https://energy.ec.europa.eu/topics/oil-gas-and-coal/eu-coal-regions/secretariat-technical-assistance-regions-transition-start\\_en](https://energy.ec.europa.eu/topics/oil-gas-and-coal/eu-coal-regions/secretariat-technical-assistance-regions-transition-start_en)

### For project promoters

- Enterprise Europe Network (especially on innovation projects): <https://een.ec.europa.eu/>

# Connecting Europe Facility

*A key EU funding instrument to promote growth, jobs and competitiveness at European level*

Key areas	Objective(s) and scope
<p>Focused on infrastructure investment at EU level, the CEF fund promotes growth, jobs and competitiveness by developing high-performing, sustainable and efficiently interconnected trans-European networks in the fields of transport, energy and digital services. It promotes easier and more sustainable travel, contributes to improving the interoperability of energy networks across borders, and ensures the security of supply by developing smart energy networks and carbon dioxide networks, enhancing the use of renewable energy, and tightening cross-border cooperation between institutions, business sectors and citizens.</p> <p>In addition to grants, the CEF offers financial support to projects through innovative financial instruments such as guarantees, project bonds, loans, equity and combinations of financial instruments. The total budget for this fund in the 2021–2027 MFF is EUR 33.71 billion in current prices.</p>	<p>The general objectives of the CEF are to build, develop, modernise and complete the trans-European networks in the transport, energy and digital sectors. One of the priorities of the CEF is to enable and strengthen the synergies between the energy, transportation and digitalisation sectors. Actions across sectors may allow costs or results to be optimised through the pooling of financial, technical or human resources, thus enhancing the effectiveness of EU funding.</p>
<b>Type of funding</b>	
<p>The CEF provides grants. These are supported, where relevant, through financial instruments, such as lending, guarantees and equity (e.g. the Alternative Fuels Infrastructure Facility (AFIF)), for projects that have limited financial viability, but have the potential to attract market-based financing in the near future.</p>	

<b>Components</b>
<ul style="list-style-type: none"> <li>• <b>CEF Energy.</b> With a total budget of EUR 5.84 billion for 2021–2027, CEF Energy offers financial support to close the investment gap in cross-border energy infrastructure projects that are on the EU list of projects of common interest. It improves the EU's energy security in the context of increasing energy demand and supports the integration of renewable energy sources. CEF Energy also includes a policy window on cross-border renewable energy projects, with the aim to foster Member States' cooperation on cross-border renewable energy technology projects, ensuring a lower cost for renewables integration and enabling the strategic uptake of renewables technologies.</li> <li>• <b>CEF Telecom.</b> The overall objective is to create a European ecosystem of interoperable digital services that makes the digital single market work in practice. CEF Telecom supports trans-European networks and infrastructures, which provide the missing links among Europe's energy, transport and telecommunications sectors. A budget of EUR 2.07 billion is earmarked for trans-European digital services for 2021–2027.</li> <li>• <b>CEF Transport.</b> This branch provides the funding instrument to implement European transport infrastructure policy: efficient, interconnected and multimodal networks and infrastructure for smart, interoperable, sustainable, inclusive, accessible, resilient, safe and secure mobility. It aims to support investments in building new transport infrastructure in Europe or rehabilitating and upgrading the existing infrastructure. The total budget for CEF Transport is EUR 25.8 billion, of which EUR 11 billion is reserved for the cohesion countries.</li> </ul>

<b>Opportunities for directly targeting the environment</b>
<p>The AFIF has a budget of EUR 1 575 billion (EUR 1.2 billion under the general envelope and EUR 375 million under the cohesion envelope). Under the AFIF, alternative fuels projects (hydrogen, electricity and liquid natural gas) on the trans-European transport networks are supported through unit contributions or co-funding rates (depending on whether the project is under the general or cohesion envelope) together with a mandatory financing component, provided by public or private financing institutions.</p> <p>In terms of eligible entities, only legal entities and joint ventures established in EU Member States are eligible<sup>50</sup>.</p>
<p><sup>50</sup> Frequently asked question concerning the AFIF are available online (<a href="https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/faq?type=0,1;categories=-;tenders=;programme=43251567;keyword=AFIF;freeTextSearchKeyword=;matchWholeText=true;period=null;status=0,1;sortQuery=relevance;faqListKey=faqSearchTablePageState">https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/faq?type=0,1;categories=-;tenders=;programme=43251567;keyword=AFIF;freeTextSearchKeyword=;matchWholeText=true;period=null;status=0,1;sortQuery=relevance;faqListKey=faqSearchTablePageState</a>)</p>

## Opportunities for environmental integration

The CEF Transport branch supports innovation in the transport system in order to, among other goals, reduce the environmental impact of transport and enhance energy efficiency, which has a positive effect on local air pollution and mitigates the climate impact of transportation.

In most cases, energy infrastructure projects financed through the CEF, subject to their scope and location, undergo assessments of environmental compliance under the EIA directive, the habitats directive and the birds directive. Furthermore, project proposals for grants for works should demonstrate how the projects address climate resilience.

## Options for technical assistance and other useful links and resources

- CEF Transport Advisory Group: [https://cinea.ec.europa.eu/programmes/connecting-europe-facility/transport-infrastructure/cef-transport-advisory-group\\_en](https://cinea.ec.europa.eu/programmes/connecting-europe-facility/transport-infrastructure/cef-transport-advisory-group_en)
- Call for proposals on energy and transportation: [https://cinea.ec.europa.eu/calls-proposals\\_en](https://cinea.ec.europa.eu/calls-proposals_en)
- Call for proposals on digital services: [https://hadea.ec.europa.eu/programmes/connecting-europe-facility\\_en](https://hadea.ec.europa.eu/programmes/connecting-europe-facility_en)
- National contact points: [https://hadea.ec.europa.eu/programmes/connecting-europe-facility/national-contact-points\\_en](https://hadea.ec.europa.eu/programmes/connecting-europe-facility/national-contact-points_en)
- CINEA website: [https://cinea.ec.europa.eu/connecting-europe-facility/about-connecting-europe-facility\\_en](https://cinea.ec.europa.eu/connecting-europe-facility/about-connecting-europe-facility_en)

The following project example was financed in the previous MFF (2014–2020).

### Construction of high performance railway line as part of the trans-European transport network

**Duration:** 2014–2020 (CEF), 2021–2026 (NextGenerationEU)

**Beneficiary (coordinator):** Austrian Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology

**Type of beneficiary:** environmental authority

**Total budget:** EUR 5.4 billion

**EU contribution:** CEF for 2014–2019: EUR 57.5 million (for the subsection Wettmannstätten–St. Andrä). RRF requested EU contribution for 2021–2026: EUR 543 million

The Koralmbahn is part of the Alps–Adriatic corridor, one of the most important trans-European railway axes. The 127 km long, continuously electrified new high-performance track connecting the regional capitals of Graz and Klagenfurt will reduce rail travelling time from 3 hours to 45 minutes, a real incentive for shifting the transport of goods and people from road to rail. The Koralmbahn is one of the corridor's most important sections of the railway, with 47 km of tunnel, of which 33 km is the Koralm Tunnel, Austria's longest railway tunnel. It receives funding from both the CEF and NextGenerationEU (the latter through the Austrian RRP), which will also support the electrification of connecting regional lines. Based on comprehensive EIAs, including additional environmental measures (on air, water, soil and human health protection), Austria is ensuring that the proposed investment in railway infrastructure inflicts no significant harm on the environment, including through extensive replacement measures such as the renaturation of rivers and the construction of ecologically valuable habitats, as well as noise mitigation measures. The citizen participation process was closely linked to the route planning process and included both information about the project and concrete co-determination opportunities in the planning.

Source: [https://commission.europa.eu/document/1eeadd63-c08e-49c0-a13d-922b7e0fab9a\\_en](https://commission.europa.eu/document/1eeadd63-c08e-49c0-a13d-922b7e0fab9a_en)

Project web page: <https://infrastruktur.oebb.at/en/projects-for-austria/railway-lines/southern-line-vienna-villach/koralm-railway>

## Project examples

The following databases of funded projects are available:

- <https://cinea.ec.europa.eu/featured-projects>
- <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-energy/cef-energy-projects-and-actions>
- <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-telecom/cef-telecom-projects>
- <https://ec.europa.eu/inea/en/connecting-europe-facility/cef-transport/cef-transport-projects>

# Recovery and Resilience Facility

The key instrument at the heart of NextGenerationEU to help the EU emerge stronger and more resilient from the COVID-19 pandemic

<p><b>Key areas</b></p> <p>The RRF comprises six pillars: the green transition; digital transformation; smart, sustainable and inclusive growth; social and territorial cohesion; health, economic, social and institutional resilience; and policies for the next generation.</p>	<p><b>Objective(s) and scope</b></p> <p>The main goal of the RRF is the mitigation of the economic and social impacts of the COVID 19 pandemic. The funding shall, however, not only mitigate negative impacts, but also contribute to the improvement of the EU's economies and societies through more sustainability transitions. For that purpose, the RRF regulation<sup>51</sup> sets explicit expenditure targets: 37 % for the climate transition and 20 % for the digital transition.</p> <p><small>51 Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility, OJ L 57, 18.2.2021, p. 17.</small></p>
<p><b>Components</b></p> <p>The European Commission has identified seven flagship areas for investment:</p> <ol style="list-style-type: none"> <li>1. power up – the frontloading of future-proof clean technologies and the acceleration of the development and use of renewables;</li> <li>2. renovate – the improvement of the energy efficiency of public and private buildings;</li> <li>3. recharge and refuel – the promotion of future-proof clean technologies to accelerate the use of sustainable, accessible and smart transport and of charging and refuelling stations and the extension of public transport;</li> <li>4. connect – the fast roll-out of rapid broadband services to all regions and households, including fibre and 5G networks;</li> <li>5. modernise – the digitalisation of public administration and services, including judicial and healthcare systems;</li> <li>6. scale up – the increase in European industrial data-cloud capacities and the development of the most powerful, cutting edge and sustainable processors;</li> <li>7. reskill and upskill – the adaptation of education systems to support digital skills and educational and vocational training for all ages.</li> </ol>	<p><b>Volume of funding</b></p> <p>Up to EUR 723.8 billion (in current prices)</p>
<p><b>Type of funding</b></p> <p>The RRF regulation specifies grants and loans as forms of payments; however, Member States may implement projects under different modalities. For example, funding from the RRF can be provided to a financial intermediary, to which the final beneficiaries apply.</p>	<p><b>Type of management</b></p> <p>The RRF is a performance-based instrument. Funds will be disbursed directly to Member States based on their progress in the implementation of national RRFs, notably upon fulfilment of agreed milestones and targets for achieving reforms and investments in the RRFs. The Member States prepare RRFs, which are submitted to the European Commission for approval. The Member States are responsible for the implementation these plans and, in many cases, delegate the implementation of specific elements of the plans to intermediaries.</p>
	<p><b>Targeted beneficiaries</b></p> <p>Owing to the broad nature of the RRF and the variety of supported measures in the RRFs, the final beneficiaries may vary according to the nature of the projects, the topic to be addressed and the concrete funding scheme. In many cases, the final beneficiaries are public bodies; however, oftentimes, public bodies act as an intermediary. Thus, if your organisation is an SME, a large enterprise, a research organisation or university, an NGO or a civil society organisation, you might be eligible to be a beneficiary in your country. The selection of beneficiaries is partly done a priori (i.e. in the case of public bodies), while, in other cases, beneficiaries are selected through calls for proposals.</p>

## Types of projects

The RRF regulation does not specify concrete types of projects; the definition of the projects covered is, in principle, up to the Member States. As the RRF supports largely public beneficiaries, a broad range of support for public infrastructure (including public buildings, but also zero- and low-emission vehicles and other infrastructure for sustainable public transport, etc.), government funding programmes (e.g. individual support for zero- and low-emission vehicles and support for renewable energy) and government-sponsored programmes (e.g. support for material acquisitions for teachers and support for educational programmes) is implemented.

Member States must ensure that all supported measures respect the DNSH principle as prescribed by the RRF regulation. As such, your project once selected has to be aligned with these requirements as defined by the RRP of your Member State.

### Eligibility criteria

The eligibility criteria relevant for concrete projects under calls for proposals or other horizontal schemes may differ between Member States and even between individual measures, as oftentimes the definition of those criteria and the selection of funding recipients is done by intermediaries. However, certain criteria need to be consistently applied, such as certain safeguards for DNSH. The limits and criteria can include, inter alia, limits on the scope of interventions, cost categories, the durability of projects, types of beneficiaries, the mandatory involvement of types of partners and the size of supported industries.

### Visibility requirements

As set out in Article 34 of the RRF regulation:

*The recipients of Union funding shall acknowledge the origin and ensure the visibility of the Union funding, including, where applicable, by displaying the emblem of the Union and an appropriate funding statement that reads 'funded by the European Union – NextGenerationEU'.*

Furthermore, beneficiaries should provide effective and proportionate targeted information about the funding to multiple audiences, including the media and the public.

## Opportunities for directly targeting the environment

The RRF regulation does not directly refer to concrete funding targeting environmental objectives. However, earmarked money for 'green' projects can have indirect positive environmental impacts. Moreover, some Member States have explicitly included projects (often in the 'green transition' or 'sustainable growth' pillars) that support environmental objectives, such as biodiversity or the circular economy, in their plan. The nature and implementation of those projects depends strongly on the individual Member States' programmes.

## Opportunities for environmental integration


The RRFs contain a strong green element, with 37 % to 60 % of total funding (depending on the Member State) earmarked for green projects. These projects cover a wide range of topics with concrete environmental relevance (e.g. if your proposed project concerns zero-emission mobility, climate friendly construction, the decarbonisation of industries or a range of other topics, you might be eligible to be a beneficiary), but also topics with indirect environmental relevance (e.g. digitalisation and the upskilling of the workforce for a green economy). The concrete ways of integrating the environment strongly depend on the individual Member States' programmes. In addition, as mentioned in [Chapter 3](#) and previously in this section, the RRF regulation requires that all supported measures (not only the green measures) comply with the DNSH principle.

### Options for technical assistance

It is up to the Member State and the intermediary in question to provide technical assistance to potential final beneficiaries. How the assistance is designed thus depends on the concrete Member State and the individual measure. It can take the form of guidance and information material, helpdesks, workshops, targeted support for individuals, peer learning events, etc.

### Useful links and resources

Commission RRF overview web page, including links to all national RRFs: [https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility\\_en](https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en)



## Effective treatment of communicable diseases (upgrading / construction of two infectious clinics in Ljubljana and Maribor, Slovenia)

**Duration:** 20 July 2021 (the date of adoption of the national RRP) to 30 June 2026

**Beneficiary coordinator:** Ministry of Health / Infectious Clinics in Ljubljana and Maribor

**Beneficiary type:** public

**Total budget:** EUR 140 million (excluding value added tax)

**EU contribution:** EUR 110 (excluding value added tax)

*The objective of this planned investment under the Slovenian national RRP is to increase the capacity in Slovenia to treat communicable diseases. The investment consists of the implementation of two infrastructure projects: the upgrading of the infectious clinic in Ljubljana and the construction of a new infectious clinic in Maribor.*

*The clinics must comply with requirements for nearly zero-energy buildings. On the roofs of these buildings, it will be possible to install a photovoltaic system for the self-supply of electricity. At the same time, solar panels will be installed to enable water heating for bathrooms. The buildings will be equipped with adequate insulation, and air currents will be used to regulate the surface to avoid moisture. The full and uniform insulation of buildings, including balconies, the layout of windows, roofs, walls, doors and floors, will be ensured, and particular attention will be paid to preventing the temperature of any surfaces inside the building from falling below the dew point temperature.*

*In terms of the energy performance of buildings, relevant elements and technical systems in the building will also be considered, such as passive elements that contribute to passive techniques aimed at reducing energy needs for heating or cooling, energy consumption for lighting, and ventilation to improve heat and visual comfort. The surroundings and walls will be taken into account, which will provide the buildings with additional insulation and shade. This will also contribute to reducing energy demand by reducing the need for heating and cooling, while improving the energy performance of the building. Self-regulating devices for separate temperature regulation in each room, or at least in a specific heated zone of the building, will be installed, which will contribute to reducing the overall cost of replacing combustion plants.*

*The project will make use of technological solutions, products, innovations and proposals in a variety of areas (natural, recycled and recyclable materials) aimed at improving resource efficiency (contributing to the circular economy and the improvement of energy and material efficiency in supported processes). The proportion of wood or wood elements in buildings (excluding interior fittings) will be at least 30 % of the volume of embedded materials. Construction products based on renewable raw materials such as wood, pulp and wool will be used.*

*All water supply in buildings will be equipped with water-saving technologies.*

*As regards transport, recharging points for smart charging of electric vehicles will be installed. The clinics will be located in a part of the city to which direct transport by buses and electric vehicles will be provided, thereby helping to reduce greenhouse gas emissions.*

*The companies involved are required to implement a recognised environmental management system such as the EU Eco-Management and Audit Scheme (EMAS), International Organization for Standardization (ISO 14001) or equivalent, or to use and/or produce goods or services that have been awarded the EU Ecolabel or another type I ecolabel.*

*The procurement of services or supplies must take into account the criteria applicable to green public procurement.*

*Source: Slovenia's RRP and its Annex I in Slovenian ([https://www.gov.si/assets/organi-v-sestavi/URS00/01\\_si-rrp\\_23-7-2021.pdf](https://www.gov.si/assets/organi-v-sestavi/URS00/01_si-rrp_23-7-2021.pdf) and [https://www.gov.si/assets/organi-v-sestavi/URS00/02\\_si-rrp\\_annex-1\\_21-7-2021\\_lekt.pdf](https://www.gov.si/assets/organi-v-sestavi/URS00/02_si-rrp_annex-1_21-7-2021_lekt.pdf)) and Slovenia's RRP in English ([https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/slovenias-recovery-and-resilience-plan\\_en](https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/slovenias-recovery-and-resilience-plan_en))*

*Project website: not yet available*

# InvestEU programme

*A boost to sustainable investment, innovation and job creation in Europe*

The InvestEU programme has three pillars: the InvestEU Fund, the InvestEU Advisory Hub and the InvestEU Portal. The InvestEU Portal is an EU-wide platform that brings together investors and project promoters. The InvestEU Advisory Hub complements the InvestEU Fund by supporting the identification, preparation and development of investment projects across the EU with a total budget of EUR 400 billion (see [Chapter 3](#) for more information on the InvestEU Advisory Hub).

Key areas	Objective(s) and scope
<p>InvestEU support is deployed under four policy windows, which represent important policy priorities for the EU and bring high EU added value:</p> <ul style="list-style-type: none"> <li>• sustainable infrastructure (EUR 9.9 billion)</li> <li>• research, innovation and digitisation (EUR 6.6 billion)</li> <li>• SMEs (EUR 6.9 billion)</li> <li>• social investment and skills (EUR 2.8 billion).</li> </ul>	<p>The InvestEU programme is a critical instrument for boosting green growth, innovation and job creation in Europe. InvestEU will provide the EU with crucial long-term funding by leveraging substantial private and public funds in support of sustainable recovery. It will help mobilising private investments for the EU's policy priorities, such as the European Green Deal and the digital transition. InvestEU also supports activities of strategic importance to the EU, in particular in view of enhanced resilience and strengthening strategic value chains.</p>

## Components

The InvestEU programme has three pillars: the **InvestEU Fund**, the **InvestEU Advisory Hub** and the **InvestEU Portal**.

**Pillar 1: InvestEU Fund.** This pillar is expected to mobilise funds (see 'Key areas') in support of investment by implementing partners. The implementing partners are expected to contribute approximately EUR 6.55 billion (25 %) in risk-bearing capacity. The guarantee is provisioned at 40 %, meaning that EUR 10.5 billion of the EU budget is set aside in case calls are made on the guarantee, the rest being contingent liability. The EU budgetary guarantee can be used by the implementing partners to cover their direct financing of eligible projects or to provide guarantees to financial intermediaries who in turn provide loans or equity to the final beneficiaries.

**Pillar 2: InvestEU Advisory Hub.** The hub connects project promoters and intermediaries with advisory partners, who work directly together to help projects reach the financing stage. It provides advisory support to help with the preparation, development, structuring and implementation of investment projects, including capacity building and market development.

**Pillar 3: InvestEU Portal.** The portal brings together investors and project promoters by providing an easily accessible and user-friendly database. The InvestEU Portal provides a list of pre-checked projects, allowing qualified investors to easily screen the projects before deciding which ones to invest in. Furthermore, the European Commission may send the projects received for publication on the InvestEU Portal to the InvestEU implementing partners and to the central entry point of the InvestEU Advisory Hub, as appropriate. Promoters have their own user profile through which to submit projects. Publication on the portal is free of charge. To contact project promoters published on the portal, investors also have to be registered on the portal.

In this context, it is important to note that the EIB (the investment and lending arm of the EU) is owned by the EU Member States and offers loans, guarantees, equity investments and advisory services. Only part of its investments will be covered by the InvestEU guarantee. Further information on receiving EIB financing can be found on the EIB website (<https://www.eib.org/en/index.htm>). The EIF, part of the EIB Group, specialises in SMEs and venture capital investment (<https://www.eif.org/>).



## Volume of funding

The InvestEU Fund is expected to mobilise more than EUR 372 billion of public and private investment through an EU budgetary guarantee of EUR 26.2 billion that backs the investment of implementing partners such as the EIB Group and other international financial institutions or national promotional banks.

The InvestEU programme also features the option of establishing Member State compartments for each policy area. This means that EU countries may contribute additional funds to the EU guarantee's provisioning or to the InvestEU Advisory Hub by voluntarily channelling a part of their resources from the funds under shared management, such as cohesion policy funds or funds from the RRF allocations, to these compartments to address specific national priorities.

## Type of management

The InvestEU Fund is a funding instrument with a strong emphasis on EU policy priorities. The EU budgetary guarantee available under the InvestEU Fund is implemented via selected financial partners or 'implementing partners'. The main partner is the EIB Group (the EIB and the EIF), which has successfully implemented and managed the European Fund for Strategic Investments since its launch in 2015, and which will be responsible for implementing 75 % of the EU guarantee. The EU budgetary guarantee will be open also to national promotional banks and institutions and other international financial institutions (such as the European Bank for Reconstruction and Development). More information on financing opportunities is available through national promotional banks and institutions and other international financial institutions.

## Type of funding

The InvestEU Fund provides a EU budgetary guarantee (of around EUR 26.2 billion) to support implementing partners to increase their capacity to bear risk and provide financing (in the form of debt or equity) to final beneficiaries addressing EU policy priorities. Implementing partners can provide financing directly to final recipients or indirectly through private or public financial intermediaries. Financial products to be deployed under InvestEU may take the form of general products or thematic financial products. General financial products must support one or more policy areas covered under each policy window and can include either debt or equity interventions. Thematic financial products must focus on clearly defined, higher level EU added-value policy areas and involve a higher risk profile of the financing and investment operations than general products.

## Targeted beneficiaries

Project promoters should apply directly to implementing partners (the EIB or others), which will offer tailor-made financing solutions based on the financial products supported by the EU budgetary guarantee. InvestEU financing and investment operations must provide support only to final beneficiaries deemed economically viable in accordance with internationally accepted standards at the time of the EU financial support.

The final beneficiaries can be natural or legal persons established in an EU country or eligible non-EU country, including:

- private entities such as special-purpose vehicles or project companies, large corporates, mid-cap companies (including small midcap companies) and SMEs;
- public sector entities (territorial or not, but excluding operations with entities giving rise to direct Member State risk) and public sector type entities;
- mixed entities, such as public-private partnerships and private companies with a public purpose;
- non-profit organisations.

As previously noted, final beneficiaries can apply directly to implementing partners (the EIB or others). SMEs, small mid-cap companies, microfinance enterprises and social enterprises may also apply through financial intermediaries of the implementing partners, which are selected through calls for expressions of interest by InvestEU implementing partners<sup>52</sup>.

<sup>52</sup> Eligible InvestEU implementing partners, in addition to the EIB Group, will be listed on the InvestEU website ([https://investeu.europa.eu/what-investeu-programme/investeu-fund/how-get-financing\\_en](https://investeu.europa.eu/what-investeu-programme/investeu-fund/how-get-financing_en)), while local intermediaries can be found on the web page on accessing finance ([https://europa.eu/youreurope/business/finance-funding/getting-funding/access-finance/index\\_en.htm](https://europa.eu/youreurope/business/finance-funding/getting-funding/access-finance/index_en.htm)), which already lists intermediaries under current EU programmes and will successively list InvestEU financial intermediaries.

## Types of projects

All projects guaranteed through InvestEU fall under one of the four policy priorities listed under 'Key areas'. Eligible projects supported through InvestEU fall under the following main areas:

- the development of the energy sector in accordance with the Energy Union priorities (e.g. energy security and clean energy) and the commitments taken under the 2030 agenda for sustainable development and the Paris Agreement<sup>53</sup>;
- sustainable and safe transport infrastructures, mobility solutions and innovative technologies in accordance with EU transport priorities and the commitments taken under the Paris Agreement;
- the environment and resources (e.g. water, waste management, the restoration of ecosystems and biodiversity, and the decarbonisation of energy production);
- sustainable agriculture, forestry, fishery, aquaculture and other elements of the wider sustainable bioeconomy;
- the development of digital connectivity infrastructure through projects that support the deployment of very high-capacity digital networks that improve digital connectivity and access, in particular in rural areas and peripheral regions;
- research, development and innovation projects;
- the development, deployment and scaling up of digital technologies and services that contribute to the objectives of the digital Europe programme;
- financial support for entities employing up to 499 employees, with a particular focus on SMEs and small mid-cap companies;
- cultural and creative sectors, cultural heritage, media, the audiovisual sector, journalism and the press, in particular through the development of new technologies, the use of digital technologies and the technological management of intellectual property rights;
- the development of sustainable tourism infrastructure;
- the rehabilitation of industrial sites (including contaminated sites) and the restoration of such sites for sustainable use;
- social investments, including those supporting the implementation of the European Pillar of Social Rights;
- the development of the defence industry in order to contribute to the EU's strategic autonomy;
- the development of the space sector in line with the objectives of the space strategy for Europe;
- the development of projects and enterprises in the area of the blue economy and the sustainable blue economy finance principles: maritime entrepreneurship and industry, renewable marine energy, and the circular economy.

<sup>53</sup> For more information, see the European Commission's web page on the Paris Agreement ([https://ec.europa.eu/clima/eu-action/international-action-climate-change/climate-negotiations/paris-agreement\\_en](https://ec.europa.eu/clima/eu-action/international-action-climate-change/climate-negotiations/paris-agreement_en)).

### Eligibility criteria

To benefit from InvestEU financing, potential projects must, in particular:

- address market failures or suboptimal investment situations for final recipients that are deemed economically viable;
- achieve additionality by preventing the replacement of potential support and investment from other public or private sources;
- achieve a multiplier effect and, where possible, crowd-in private investment;
- contribute to the EU policy objectives and fall within the scope of eligible areas laid out in Annex II of the InvestEU regulation<sup>54</sup>;
- be consistent with the InvestEU investment guidelines.

Operations that are inconsistent with achieving the climate objectives should not be eligible for support under the InvestEU regulation.

<sup>54</sup> Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017, OJ L 107, 26.3.2021, p. 30.

### Visibility requirements

Article 32 of the InvestEU regulation sets the requirements in terms of transparency and visibility, which include, among others, that implementing partners and advisory partners must acknowledge the origin and ensure the visibility of the EU funding and that they must inform the final beneficiaries of the existence of support under the InvestEU programme.

## Opportunities for directly targeting the environment

Actions under the InvestEU programme are expected to dedicate at least 30 % of the overall financial envelope of the InvestEU programme to climate objectives. However, for its sustainable infrastructure policy window, a combined climate and environmental target of 60 % has been put forward.

InvestEU will make a direct contribution to the EU's environmental objectives through its dedicated eligibility areas linked to the environment and resources. In particular, under the sustainable infrastructure policy window, the fund can provide support for nature and environmental infrastructure, such as the circular economy, water and waste management. The financing and investment operations under the InvestEU Fund may also fall under the environment and resource areas, in particular with respect to the enhancement and restoration of ecosystems and their natural and biodiversity services by means of green and blue infrastructure projects, such as sustainable agriculture, forestry and fishery. Under the natural capital and circular economy initiative, the InvestEU Fund will contribute to the EU's environmental objectives through dedicated eligibility areas under different policy windows. This initiative is expected to mobilise EUR 10 billion over the next 10 years. Furthermore, the guarantee products developed by the implementing partners, in particular the EIF under the sustainability portfolio guarantee products<sup>55</sup>, provide access to finance for, among others, the following policy areas:

- the transition to the circular economy
- water resources and pollution prevention and control
- the protection and restoration of biodiversity and ecosystems
- sustainable forests and agricultural practices.

<sup>55</sup> For more information on the guarantee products, see the EIF's website ([https://www.eif.org/InvestEU/guarantee\\_products/index.htm](https://www.eif.org/InvestEU/guarantee_products/index.htm)).

## Opportunities for environmental integration

The InvestEU Fund promotes environmental integration through the integration of environmental protection and the prevention and management of environmental-related risks into the preparation and implementation of investments. Thus, investments allocated to environmental sustainability objectives will be tracked using common methodologies that are consistent with methodologies developed under other EU programmes that apply to climate, biodiversity and air pollution management. This allows the **assessment of the individual and combined impacts of investments on the principal components of natural capital, namely air, water, land and biodiversity**. For this, the InvestEU Fund has provisions that facilitate the integration of environmental considerations into the preparation of projects or into decision-making regarding the financing of investments.

- The InvestEU regulation contains a list of certain investments that cannot be supported, such as landfills, mechanical biological treatment or incinerators (Section B of Annex V).
- All financing and investment operations covered by the InvestEU budgetary guarantee will undergo an approval process that contains the following two steps:
  1. policy checks by the European Commission – the verification of compliance with EU laws and policies in the areas of climate, the environment and social policy;
  2. approval of the use of the EU budgetary guarantee – the project is submitted to the InvestEU Investment Committee for final approval.
- All financing and investment operations above a certain threshold must undergo a sustainability proofing assessment, with a view to minimising detrimental impacts and maximising benefits to the climate, environmental and social dimensions. The proofing assessment is split into two phases: a screening phase and, if selected, a detailed analysis / proofing phase.

## Options for technical assistance

The **InvestEU Advisory Hub**<sup>56</sup> connects promoters and (non-)financial intermediaries with advisors that help the former to obtain financing for their projects and build capacity to implement financial and investment operations.

The InvestEU Advisory Hub:

- supports the identification, preparation, development, structuring, procurement and implementation of investment projects;
- enhances the capacity of promoters and financial intermediaries to implement financing and investment operations;
- supports awareness raising and preparatory activities for investment areas that show a clear market gap.

See [Chapter 3](#) for more information on the InvestEU Advisory Hub.

### Green ASSIST

Green ASSIST is an advisory initiative established through a LIFE contribution and is managed by the European Climate, Infrastructure and Environment Executive Agency (CINEA) under the InvestEU Advisory Hub. Advisory hub requests submitted in the advisory hub portal may be redirected to Green ASSIST. It aims to build a pipeline for green investment projects that have a high impact in terms of the environment. These projects target sectors such as biodiversity, water, wastewater, the circular economy, recycling and the reduction of air pollution, as well as the substantial greening of other infrastructure investments (transport, energy, telecommunications, etc.).

See [Chapter 3](#) for more information on Green ASSIST.

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<sup>56</sup> See the InvestEU Advisory Hub web page for more information ([https://investeu.europa.eu/what-investeu-programme/investeu-advisory-hub\\_en](https://investeu.europa.eu/what-investeu-programme/investeu-advisory-hub_en)).

## Useful links and resources

- Legal basis: <https://eur-lex.europa.eu/eli/reg/2021/523/oj#d1e1028-30-1>
- InvestEU investment guidelines: [https://eur-lex.europa.eu/eli/reg\\_del/2021/1078/oj](https://eur-lex.europa.eu/eli/reg_del/2021/1078/oj)
- How to get financing: [https://europa.eu/investeu/investeu-fund/how-get-financing\\_en](https://europa.eu/investeu/investeu-fund/how-get-financing_en)
- InvestEU Portal, which brings together potential investors and project promoters through an easily accessible and user-friendly database: <https://ec.europa.eu/investeuportal/desktop/en/index.html>
- Questions and answers on InvestEU dated 7 March 2022: [https://ec.europa.eu/commission/presscorner/detail/en/ganda\\_22\\_1549](https://ec.europa.eu/commission/presscorner/detail/en/ganda_22_1549)
- Fund website on the EIB: <https://www.eib.org/en/products/mandates-partnerships/investeu/index.htm>
- Questions and answers on InvestEU dated 9 March 2021: [https://ec.europa.eu/commission/presscorner/detail/en/ganda\\_21\\_1045](https://ec.europa.eu/commission/presscorner/detail/en/ganda_21_1045)

## North Portugal water distribution optimisation

**Duration:** September 2020

**Promoter – financial intermediary:** Águas do Interior – Norte EIM SA (Portugal)

**Type of promoter:** company

**Total budget:** EUR 56 million

**EIB finance:** EUR 28 million

*This project involves water supply and sewage investments relating to eight municipalities in northern Portugal that are to be implemented by a new intermunicipal company incorporated for that purpose. The proposed project will help meet the requirements of key EU directives in the water and wastewater sectors, notably the EU urban wastewater treatment directive<sup>57</sup> and the EU water framework directive, and national regulations. The project will have a positive environmental and social impact in terms of the security of supply of potable water, pollution abatement, the preservation of water bodies and the reduction of water losses. In particular, the project supports the water distribution optimisation investments of Águas do Interior – Norte, a company that exclusively provides water supply and waste management services to eight municipalities in the north of Portugal.*

Source: <https://www.eib.org/en/projects/pipelines/all/20200073>

<sup>57</sup> Council Directive 91/271/EEC of 21 May 1991 concerning urban waste-water treatment, OJ L 135, 30.5.1991, p. 40.

## Project examples

A database of the funded projects is available at <https://www.eib.org/en/products/mandates-partnerships/efsi/efsi-projects/index.htm>

Please note that the following project was financed under the European Fund for Strategic Investments, the precursor of InvestEU.

# European Agriculture Guarantee Fund

*Income support for farmers and market measures*

Key areas	Volume of funding
Farmer income support schemes, market measures, greening payments.	EUR 291 billion

## Objective(s) and scope

The EAGF is contributing to the 10 key objectives of the new common agricultural policy (CAP):

1. support viable farm income and the resilience of the agricultural sector across the EU to enhance long-term food security and agricultural diversity, as well as to ensure the economic sustainability of agricultural production in the EU;
2. enhance market orientation and increase farm competitiveness, including by placing greater focus on research, technology and digitalisation;
3. improve farmers' position in the value chain;
4. contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emissions and enhancing carbon sequestration, and promote sustainable energy;
5. foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency;
6. contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes;
7. attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas;
8. promote employment, growth, gender equality (including the participation of women in farming), social inclusion and local development in rural areas, including the circular bioeconomy and sustainable forestry;
9. improve the response of EU agriculture to societal demands on food and health, including high-quality, safe and nutritious food produced in a sustainable way, to reduce food waste and to improve animal welfare and combat antimicrobial resistance;
10. modernise the sector by sharing knowledge and fostering innovation and digitalisation in agriculture and rural areas, and by encouraging the uptake of these aspects by farmers through improved access to research, innovation, knowledge exchange and training.

## Components

From 2023, the implementation of the bulk of the measures under the CAP will take place in the form of 28 different CAP strategic plans. These plans will be programming instruments in which Member States present their proposed interventions to achieve the EU specific objectives.

The EAGF will fund, under the CAP strategic plans, the following types of interventions:

1. direct payments, namely either:
  - decoupled direct payments, which include basic income support for sustainability, complementary redistributive income support for sustainability, complementary income support for young farmers, and schemes for the climate and the environment;
  - coupled direct payments;
2. sectoral interventions, namely for the following sectors:
  - fruit and vegetables
  - apiculture products
  - wine
  - hops
  - olive oil and table olives
  - other sectors (from 2024).

A number of schemes financed through the EAGF will continue to be implemented outside the CAP strategic plans (i.e. private and public storage measures, exceptional measures, the EU school scheme, information and promotion measures, and support for the outermost regions and smaller Aegean islands (e.g. via the programme of options specifically relating to remoteness and insularity (POSEI) scheme).

All payments are subject to compliance with EU rules on food safety, environmental protection and animal welfare.

## Type of management

The EAGF is one of the two CAP funds and is generally referred to as Pillar I. The EAGF is a fund that is mainly under a shared management system, namely between the European Commission and the national authorities in each EU Member State. The Member States' authorities in charge of the administration of the EAGF provide direct income support to farmers and support market measures. Member States are responsible for the implementation and primary control of payments to farmers. To do so, Member States have put in place, among other measures, an integrated administration and control system, that is, a network of interconnected databases that are used to receive and process applications for direct payments by farmers and the associated data.

### Type of funding

Direct payments are provided to farmers.

### Targeted beneficiaries

As a farmer, you may apply for direct payments every year, declaring every parcel of your farm holding and, if applicable, the animals claimed for aid.

### Types of projects

The EAGF does not finance projects.

### Eligibility criteria

To be eligible, you must meet the following conditions each year:

- minimum requirements – direct payments are not granted if the total amount due and/or the area of land eligible for payment is too small (the exact threshold varies from country to country);
- active farmers – only farmers with a holding located in the EU and undertaking an agricultural activity can receive direct payments;
- use of agricultural land for an agricultural activity – only land suitable for agricultural production is considered as agricultural area (i.e. arable land, permanent crops and permanent grassland).

### Visibility requirements

For support financed by the EAGF, as appropriate, Member States shall provide for the MA to use the visibility and communication tools and structures used by the EAFRD.

## Opportunities for directly targeting the environment

From 2023 onwards, eco-schemes will provide stronger incentives for climate-friendly and environmentally friendly agricultural practices. These are instruments designed to reward farmers that choose to go one step further in terms of environmental care and climate action.

## Opportunities for environmental integration

There is a link between CAP payments for farmers and respecting other EU rules concerning, inter alia, food safety, animal health, the climate, the environment and the protection of water resources. In order to receive the full amount of direct payments for which you are eligible, as a farmer, you have to respect all of these other rules. This link is referred to as cross-compliance. The rules that farmers are expected to comply with include:

- statutory management requirements – these apply to all farmers whether or not they receive support under the CAP;
- good agricultural and environmental conditions – these apply only to farmers receiving support under the CAP and may address soil protection and quality, biodiversity or the landscape.

## Options for technical assistance

Each Member State provides farm advisory services that focus on both land and farm management for all CAP beneficiaries as part of their knowledge exchange and information interventions. Farm advisory services should offer impartial advice and cover all sustainability dimensions – economic, environmental and social aspects – relevant to all CAP intervention types.

National MAs are also supporting farmers (e.g. by providing online payment calculators and accompanying guides).

## Useful links and resources

- Legal basis: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2116&from=EN>
- Information on income support: [https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/income-support\\_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/income-support_en)
- Eco-schemes: [https://ec.europa.eu/info/news/commission-publishes-list-potential-eco-schemes-2021-jan-14\\_en](https://ec.europa.eu/info/news/commission-publishes-list-potential-eco-schemes-2021-jan-14_en)

## Project examples

The EAGF does not finance projects.

# European Agricultural Fund for Rural Development

*A funding instrument of the CAP that supports rural development strategies and projects*

Key areas	Components
Sustainable development of farming, food and socioeconomic development of rural areas.	All rural development interventions are incorporated into the national CAP strategic plans. Each national plan is built around the nine key social, environmental and economic objectives for EU agriculture, forestry and rural areas. The published CAP strategic plans, which have not yet been approved by the Commission (as of May 2022), can be found online <sup>58</sup> .
Volume of funding	
EUR 87 billion (+ EUR 8 billion under NextGenerationEU)	58 See the European Commission's web page on the CAP strategic plans ( <a href="https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cap-strategic-plans_en">https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cap-strategic-plans_en</a> ).

## Objective(s) and scope

The EAFRD contributes to the European Green Deal's objectives by ensuring a sustainable future for European farmers and other beneficiaries in rural areas and allowing greater flexibility for EU countries to adapt interventions to local conditions.

The policy focuses on the 10 objectives of the CAP, which are related to common EU goals for social, environmental and economic sustainability in agriculture and rural areas:

1. support viable farm income and the resilience of the agricultural sector across the EU to enhance long-term food security and agricultural diversity, as well as to ensure the economic sustainability of agricultural production in the EU;
2. enhance market orientation and increase farm competitiveness, including by placing greater focus on research, technology and digitalisation;
3. improve the farmers' position in the value chain;
4. contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emissions and enhancing carbon sequestration, and promote sustainable energy;
5. foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency;
6. contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes;
7. attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas;
8. promote employment, growth, gender equality (including the participation of women in farming), social inclusion and local development in rural areas, including the circular bioeconomy and sustainable forestry;
9. improve the response of EU agriculture to societal demands on food and health, including high-quality, safe and nutritious food produced in a sustainable way, to reduce food waste and to improve animal welfare and combat antimicrobial resistance;
10. modernise the sector by sharing knowledge and fostering innovation and digitalisation in agriculture and rural areas, and by encouraging the uptake of these aspects by farmers through improved access to research, innovation, knowledge exchange and training.

## Type of management

The EAFRD is a fund for which management is shared between the European Commission and national authorities in each EU Member State. Each Member State has developed a national CAP strategic plan, which sets out how support from the EAFRD and the EAGF is used at national (and regional) level. The Member States' authorities in charge of the administration of the EAFRD choose which projects are to be supported (through grants and/or via financial instruments, e.g. a loan, equity or a guarantee). The EAFRD operates according to the co-financing principle (i.e. whenever a project is to receive funding, the Member States' authorities must also provide a contribution from their own budget). The co-financing rates vary between regions and may also vary according to the type of intervention.



Type of funding	Targeted beneficiaries
<p>Member States can use the contribution from the EAFRD to provide support to beneficiaries in the form of grants and financial instruments, or a combination thereof. Financial instrument products may include loans, guarantees, equity or quasi-equity. Moreover, MAs can tailor financial products according to their needs and capabilities or structure the financial instrument based on terms and conditions provided by the European Commission for ‘off-the-shelf’ instruments.</p>	<p>The nature of beneficiaries is diverse, ranging from farmers and forest owners to public authorities, economic and social partners, local action groups, and relevant bodies representing civil society. Beneficiaries can be a public or private law body, an entity with or without legal personality, a natural person, or a group of natural or legal persons responsible for initiating or both initiating and implementing operations.</p>

Types of projects	Eligibility criteria
<p>The Member States can plan different types of interventions, including:</p> <ul style="list-style-type: none"> <li>• environmental, climate-related and other management commitments;</li> <li>• natural or other area-specific constraints;</li> <li>• area-specific disadvantages resulting from certain mandatory requirements;</li> <li>• investments, including investments in irrigation;</li> <li>• setting up young and new farmers and rural business start-ups;</li> <li>• risk management tools;</li> <li>• cooperation;</li> <li>• knowledge exchange and dissemination of information.</li> </ul>	<p>Similarly to the other CAP fund (the EAGF), the national authorities must set out the eligibility conditions for all of the interventions that are included in the CAP plan. For example, payments for agri-environment-climate commitments are provided only for those that go beyond the relevant statutory management requirements and good agricultural and environmental condition standards.</p>

Visibility requirements
<p>Beneficiaries under interventions financed by the EAFRD, other than area- and animal-related interventions, must acknowledge the financial support received, including the appropriate use of the EU logo. For example, the logo must be prominently featured on all communication materials, such as printed or digital products, websites and mobile applications, relating to the implementation of an operation and used for the public or for participants. The following text must be written in full and placed next to the logo: ‘Funded by the European Union’ or ‘Co-funded by the European Union’.</p> <p>MAs generally provide a communication kit that specifies all publicity obligations.</p>

Opportunities for directly targeting the environment
<p>Among the objectives of the CAP, 3 out of 10 are dedicated to the enhancement of the environmental situation through climate change mitigation and adaptation, sustainable management of resources and reversing biodiversity loss. Many interventions, such as support for organic production, agri-environment-climate commitments (e.g. related to soil conservation or nutrient management), advisory services on climate change mitigation/adaptation and green investments (e.g. for restoring wetlands and peatlands), have a direct positive impact on the environment and support the EU Green Deal’s objectives.</p> <p>Wetlands and peatlands will also be protected. In addition, from 2023 onwards, at least 35 % of EAFRD funds will be allocated to measures to support the climate, biodiversity, the environment and animal welfare.</p>

Opportunities for environmental integration
<p>Interventions such as investment in research may have indirect benefits by developing more efficient agricultural tools and techniques.</p> <p>From 2023 onwards, at least 35 % of funds will be allocated to measures to support the climate, biodiversity, the environment and animal welfare</p>

## Options for technical assistance

National CAP networks that are funded under technical assistance are supporting all stakeholders in the implementation of the goals developed in the CAP strategic plans. More precisely, the networks enable and facilitate exchange and learning between all of the partners involved in CAP policy implementation: public authorities, economic and social partners, and the relevant bodies representing civil society<sup>59</sup>.

<sup>59</sup> Network contacts (for each EU Member State) and resources can be found on the website of the European Network for Rural Development ([https://enrd.ec.europa.eu/networking/nm-profiles\\_en](https://enrd.ec.europa.eu/networking/nm-profiles_en)).

## Useful links and resources

- European Commission's web page on the new CAP: [https://agriculture.ec.europa.eu/common-agricultural-policy/cap-overview/new-cap-2023-27\\_en](https://agriculture.ec.europa.eu/common-agricultural-policy/cap-overview/new-cap-2023-27_en)
- Regulation on the CAP for 2023–2027: [https://agriculture.ec.europa.eu/common-agricultural-policy/cap-overview/new-cap-2023-27\\_en#legalbases](https://agriculture.ec.europa.eu/common-agricultural-policy/cap-overview/new-cap-2023-27_en#legalbases)
- Overview of the programme's features: [https://agriculture.ec.europa.eu/common-agricultural-policy/financing-cap/cap-funds\\_en](https://agriculture.ec.europa.eu/common-agricultural-policy/financing-cap/cap-funds_en)
- Links to the national strategic plans: [https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans\\_en](https://agriculture.ec.europa.eu/cap-my-country/cap-strategic-plans_en)
- EAFRD financial instruments: <https://www.fi-compass.eu/funds/eafrd>

## *Project examples*

*A database of projects is available at [https://enrd.ec.europa.eu/projects-practice\\_en](https://enrd.ec.europa.eu/projects-practice_en)*

# European Maritime, Fisheries and Aquaculture Fund

*The fund for the EU's maritime and fisheries policies*

Key areas	Objective(s) and scope
Low-impact and low-carbon fishing; aquatic biodiversity and ecosystems; marine knowledge; quality and healthy seafood; socioeconomic attractiveness of the fishery and aquaculture sectors; generational renewal of the fishing sector, especially small-scale coastal fisheries; sustainable and competitive aquaculture; the improvement of skills and working conditions in the fishing and aquaculture sectors; economic and social vitality of coastal communities; innovation in the sustainable blue economy; a safe maritime space; international cooperation for ocean governance and healthy, safe, secure, clean and sustainably managed seas and oceans.	The EMFAF supports the EU common fishery policy, the EU maritime policy and the EU agenda for international ocean governance. The projects financed by the EMFAF are expected to <b>ensure that aquatic and maritime resources are used sustainably, increase the EU's food security</b> , and contribute to the <b>growth of the blue economy</b> and to <b>healthy, safe, clean and sustainable seas and oceans</b> , by strengthening international ocean governance.

## Components

The main actions supported by the EMFAF can be grouped into the following four areas:

1. fishing and aquaculture:
  - sustainable, low-impact and low-carbon fishing activities;
  - the sustainable management of fishing activities and fishing fleets;
  - the development of sustainable and competitive aquaculture contributing to food security;
  - the protection of marine biodiversity and ecosystems, including the promotion of clean and healthy seas;
  - the supply of quality and healthy seafood to European consumers;
2. socioeconomic aspects:
  - the socioeconomic attractiveness and the generational renewal of the fisheries sector, in particular as regards small-scale coastal fisheries;
  - the improvement of skills and working conditions in fisheries and aquaculture;
  - the economic and social vitality of coastal communities;
3. research and innovation:
  - innovation in the sustainable blue economy;
  - the collection of scientific data;
4. international cooperation:
  - maritime security contributing to a safe maritime space;
  - international cooperation enabling safe, secure and sustainably managed oceans.

## Volume of funding

EUR 6.108 billion

## Type of management

Both shared and direct management are applied in the EMFAF. EUR 5.311 billion is dedicated to shared management through national programmes and EUR 797 million is dedicated to direct management. The common provisions regulation for 2021–2027<sup>60</sup> is applicable. Under shared management, the standard maximum rate of public aid ranges between 40 % and 100 %, based on the type of operation and/or beneficiary.

The majority of the EMFAF actions in **direct management delegated to CINEA** are implemented by way of procurement (purchase of services) or grants (contributions to specific actions). CINEA launches and manages open calls for proposals and calls for tenders, as well as ad hoc grants and service requests under framework contracts for studies, assistance mechanisms, innovative and cooperation projects, best practice sharing, awareness-raising campaigns, etc.

<sup>60</sup> Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy, OJ L 231, 30.6.2021, p. 159.

## Type of funding

Support can take the form of grants (reimbursement of eligible expenditure or simplified cost options), procurement contracts, loans, guarantees and compensation payments.

## Targeted beneficiaries

Beneficiaries can include operators from the fishery and aquaculture sectors, research institutions, public authorities, NGOs, international organisations and civil society organisations.

## Types of projects

The EMFAF supports innovative projects that ensure the sustainability of aquatic and marine resources, improve the socioeconomic attractiveness of the fishery sector, promote the development of the sustainable blue economy, strengthen the international cooperation of ocean governance, and provide scientific advice and data collection. The EMFAF also supports voluntary contributions to international organisations and technical assistance.

## Eligibility criteria

**Under shared management**, eligibility rules are defined by the Member States, subject to compliance with a limited number of conditions set at EU level. It is up to each Member State to develop in its national EMFAF programme the most appropriate means for achieving the objectives of the programme. Before applying, project promoters are advised to check the eligibility of their projects with the national MA, to confirm that their projects fulfil the selection criteria and that they do not touch on any ineligibility criteria. The list of national authorities can be found on the EMFAF web page of the European Commission<sup>61</sup>.

**Under direct management**, the general eligibility conditions are indicated in the EMFAF regulation<sup>62</sup>:

- legal entities established in a Member State or in a non-EU country listed in the work programme under the conditions specified in the legal act establishing the fund (i.e. paragraphs 3 and 4 of Article 61);
- any legal entity created under EU law or any international organisation.

Specific eligibility conditions related, for example, to the participation of non-EU countries, the consortium composition and the types of targeted legal entities are set in the EMFAF work programme and, in more detail, in the documents published for the calls for proposals or calls for tenders. In the case of calls for proposals, the EMFAF reference document page of the Funding and Tender Opportunities Portal<sup>63</sup> contains the most relevant information. For calls for tenders, the relevant information can be found on the eTendering website<sup>64</sup> by selecting CINEA as the contracting authority.

61 See the 'How to apply' section on the following web page for the list of national authorities ([https://ec.europa.eu/oceans-and-fisheries/funding/emfaf\\_en#how-to-apply](https://ec.europa.eu/oceans-and-fisheries/funding/emfaf_en#how-to-apply)).

62 Regulation (EU) 2021/1139 of the European Parliament and of the Council of 7 July 2021 establishing the European Maritime, Fisheries and Aquaculture Fund and amending Regulation (EU) 2017/1004, OJ L 247, 13.7.2021, p. 1.

63 <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/reference-documents>

64 <https://etendering.ted.europa.eu>

## Visibility requirements

- CINEA communication toolkit: [https://cinea.ec.europa.eu/communication-toolkit\\_en](https://cinea.ec.europa.eu/communication-toolkit_en)
- How to communicate your project: <https://www.youtube.com/watch?v=8yaHXFddT-0&list=PLrp3luGqStFAjpbU4i7Y5-vlIFLKgnoQV&index=30>

## Opportunities for directly targeting the environment

The EMFAF is a key contributor as regards achieving the EU environmental and biodiversity objectives. The EMFAF contributes directly to the environmental objectives by, among other things, funding projects that facilitate:

- the **protection and conservation of marine resources and biodiversity** (e.g. by creating and managing marine protected areas, implementing the spatial protection measures established by the marine strategy framework directive and protecting species in line with the habitats directive);
- the transition to **sustainable and low-carbon fishing activities** and the overall sustainable use of marine resources (e.g. by collecting scientific data to underpin sustainable fisheries management, eliminating unwanted catches, protecting sensitive species and improving the energy efficiency of fishing vessels);
- support for the **circular economy** (e.g. through collecting and recycling lost fishing gear and marine litter, and increasing the value of waste from fisheries and aquaculture).

## Opportunities for environmental integration

Projects funded through the EMFAF should contribute to the protection and restoration of marine biodiversity through sustainable fishing and aquaculture activities, reducing unwanted catches, protecting sensitive species, implementing landing obligations and supporting the EU agenda for international ocean governance. Furthermore, to prevent any potential harm to the marine environment and the sustainability of fisheries, the EMFAF regulation (Articles 12 and 13) sets out a list of ineligible operations for support. Moreover, certain investments and compensation schemes for the fishing fleet are subject to specific conditions to ensure they are consistent with the common fishery policy's conservation objectives.

## Options for technical assistance

- The BlueInvest platform, managed by CINEA on behalf of the Directorate-General for Maritime Affairs and Fisheries, provides technical support and access to finance to innovative SMEs and start-ups in the sustainable blue economy: <https://webgate.ec.europa.eu/maritimeforum/en/frontpage/1451>
- List of competent authorities under shared management: [https://ec.europa.eu/oceans-and-fisheries/funding/emfaf\\_en#how-to-apply](https://ec.europa.eu/oceans-and-fisheries/funding/emfaf_en#how-to-apply)

## Useful links and resources

- Before you get started, learn about the tendering process and opportunities for doing business with the European Commission: [https://ec.europa.eu/info/funding-tenders\\_en](https://ec.europa.eu/info/funding-tenders_en)
- Under direct management, CINEA implements (on behalf of the Directorate-General for Maritime Affairs and Fisheries), part of the EMFAF programme by means of contracts or grants; see the CINEA website: [https://cinea.ec.europa.eu/european-maritime-fisheries-and-aquaculture-fund\\_en](https://cinea.ec.europa.eu/european-maritime-fisheries-and-aquaculture-fund_en)
- Frequently asked questions about the EMFAF: [https://ec.europa.eu/oceans-and-fisheries/system/files/2021-07/emfaf-faq\\_en.pdf](https://ec.europa.eu/oceans-and-fisheries/system/files/2021-07/emfaf-faq_en.pdf)
- The EMFAF page on the Funding and Tender Opportunities Portal: <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/emfaf>
- The legal basis for the fund: [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L\\_.2021.247.01.0001.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2021.247.01.0001.01.ENG)
- The European Commission web page on the EMFAF: [https://ec.europa.eu/oceans-and-fisheries/funding/emfaf\\_en](https://ec.europa.eu/oceans-and-fisheries/funding/emfaf_en)

## FISH4FISH: Chitinolytic biowastes in active and sustainable packaging material

**Duration:** November 2019 to October 2022

**Beneficiary coordinator:** Università degli Studi di Siena (Italy)

**Total budget:** EUR 993 236

**EU contribution:** EUR 794 588 (EMFAF direct management)

The fish industry has a strong need to improve marketability and to extend the shelf life of fresh fish, which is shortened by microbial spoilage. At the same time, the size of this industry is so big that it produces huge amounts of plastic containers and more than 10 000 tons/year of shellfish food waste. Packaging plays a critical role in the fish supply chain and can be part of the solution to tackling food waste. This project aims to produce innovative active and sustainable packaging material based on chitinolytic derivatives, using marine biomass waste. Such packaging is able to tackle microbial spoilage, enhancing fish shelf life, and, in the post-consumption phase, once it is wasted, it can be used by consumers as fertiliser and microbial preservatives for plants. The ambitious objective of the project is to obtain a low-cost active material to be exploited for the industrial application of fish packaging. In this way, renewable resources are exploited in a sustainable manner, promoting bio-based, environmentally friendly and beneficial technologies, and create high-performing materials for a wide range of applications. Fishing and distribution companies using such innovative packaging will be able to gain competitive market positions and avoid the use of plastics.

Source: [https://cinea.ec.europa.eu/featured-projects/fish4fish\\_en](https://cinea.ec.europa.eu/featured-projects/fish4fish_en)

Project website: <http://fish4fish.dbcf.unisi.it/>

## Project examples

A database of the funded projects under direct management is available at [https://cinea.ec.europa.eu/featured-projects\\_en](https://cinea.ec.europa.eu/featured-projects_en)

The EMFAF data hub is available at <https://emff.easme-web.eu/>

## Other funding opportunities

In addition to the MFF budget, the EU provides other funding opportunities for environmental and environmental integration projects. One such source of finance is the EU emissions trading system (ETS)<sup>65</sup>. The EU ETS was the world's first major carbon market and remains the largest one. It was launched in 2005 to help the EU Member States to fulfil their Kyoto Protocol targets and it is a major pillar of the EU energy policy. It operates in all EU countries plus Iceland, Liechtenstein and Norway (the European Economic Area (EEA) and European Free Trade Association states). It limits emissions from around 11 000 installations in the power sector and manufacturing industry, as well as airlines operating between these countries, and it covers around 40 % of the EU's greenhouse gas emissions.

The EU ETS works on the cap-and-trade<sup>66</sup> principle. Within the cap, installations buy or receive free-of-charge emissions allowances<sup>67</sup>, which they can trade with one another in the secondary market. Each year, an installation must surrender enough allowances to fully cover its emissions, otherwise heavy fines are imposed. If an installation reduces its emissions, it can keep the spare allowances to cover its future needs or else sell them to another installation that is short of allowances.

The EU-wide cap for 2021 from stationary installations is fixed at 1 571 583 007 allowances. A proportion of allowances is being auctioned to finance the Innovation Fund and Modernisation Fund. In addition, 3 % of the total cap, initially earmarked for auctioning, is reserved as a free allocation buffer to avoid or reduce the cross-sectoral correction. If not used, in total or in part, the remaining buffer is distributed as follows: a maximum of 50 million allowances to be added to the Innovation Fund and a maximum of 0.5 % of the total cap to be added to the Modernisation Fund; the remaining amount is auctioned.

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65 The ETS directive is currently under revision. The information provided is based on the ETS directive in force at time of writing, namely Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814, OJ L 76, 19.3.2018, p. 3 (see also the European Commission web page on the ETS directive revision ([https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets/revision-phase-4-2021-2030\\_en](https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets/revision-phase-4-2021-2030_en))).

66 A cap is set on the total amount of certain greenhouse gases that can be emitted by the installations covered by the system. The cap is reduced over time so that total emissions fall.

67 In accordance with the rules of the ETS directive for phase 4 of the EU ETS, from 2021, around 57 % of the EU-wide cap is auctioned and the rest is provided for free.

# Innovation Fund

Funding programmes for the demonstration of innovative low-carbon technologies

## Key areas

The Innovation Fund annually provides grants for projects to invest in the deployment of next-generation technologies for the EU's transition towards climate neutrality. It is open for project proposals from individual businesses and consortia, including SMEs and mid-caps across all EEA Member States. The Innovation Fund supports both large-scale (capital expenditure above EUR 7.5 million) and small-scale projects (capital expenditure under EUR 7.5 million).

## Type of funding

The Innovation Fund supports projects mainly via **grants** based on both large-scale (capital expenditure above EUR 7.5 million) and small-scale calls for projects (capital expenditure under EUR 7.5 million). It covers up to 60 % of the relevant additional capital and operational costs of large-scale projects and up to 60 % of the capital costs of small-scale projects. The grants are disbursed in a flexible way based on project financing needs, taking into account the milestones achieved during the project lifetime. Up to 40 % of the grants can be given based on predefined milestones before the whole project is fully up and running.

Moreover, the Innovation Fund supports projects that contribute to blending operations under InvestEU, for example Breakthrough Energy's catalyst programme<sup>68</sup>, which supports emerging climate technology projects located in the EU, Iceland and Norway. Via its request for proposals, the catalyst programme will mobilise investments to accelerate the development of critical climate technologies needed to achieve net-zero emissions.

In addition, projects supported by the Innovation Fund can combine sources of funding/financing, including other funds, some of which are presented in this guide (i.e. InvestEU, Horizon Europe, the CEF and the CF); national programmes supporting research and innovation for low-carbon technologies; and private capital.

<sup>68</sup> For more information, see Breakthrough Energy's web page on this programme (<https://breakthroughenergy.org/newsroom/>).

## Objective(s) and scope

The Innovation Fund is a key funding instrument for delivering the EU's economy-wide commitments under the Paris Agreement and its objective to be climate neutral by 2050, as recognised in the European Green Deal investment plan<sup>69</sup>. The overall goal for each funded project is to **contribute to greenhouse gas reduction**, decarbonise Europe and support its transition to climate neutrality. For that, the Innovation Fund seeks to:

- create the right financial incentives for **new investments** in the next generation of technologies for the EU's transition to climate neutrality;
- **boost growth and competitiveness** by empowering companies with a first-mover advantage to become global leaders in innovative clean technologies;
- **support innovative low-carbon technologies** in all Member States in taking off and reaching the market.

<sup>69</sup> Find more information on the investment plan in the European Commission press release on this topic ([https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_17](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_17)).

## Components

The Innovation Fund focuses on **highly innovative technologies and large flagship projects** with European value added that can provide significant emission reductions when deployed and operated. It provides grants to a varied project pipeline, in all EU Member States, Iceland and Norway, in the following eligible sectors:

- **energy-intensive industries** (steel, cement, glass, chemicals, paper, etc.), including products substituting carbon-intensive ones;
- **renewable energy** generation;
- **energy storage**;
- **carbon capture and utilisation**;
- construction and operation of **carbon capture and storage**.

The proposed projects need to be sufficiently mature in terms of planning, their business model, and their financial and legal structure. The fund also supports cross-cutting projects on innovative low-carbon solutions that lead to emission reductions in multiple sectors.

The Innovation Fund is funded by revenues from the EU ETS, the world's largest carbon pricing system, from the auctioning of 450 million allowances from 2020 to 2030. For 2020–2030, the fund may amount to about EUR 38 billion, depending on the carbon price (assuming a price of EUR 75/tCO<sub>2</sub>). The EU ETS also offers the main long-term incentive for emission reduction technologies to be deployed.

## Opportunities for directly targeting the environment

Not applicable

## Opportunities for environmental integration

The Innovation Fund is a key funding instrument for delivering the EU's economy-wide commitments under the Paris Agreement and for supporting the European Commission's strategic vision of a climate-neutral Europe by 2050<sup>70</sup>, as recognised in the European Green Deal investment plan.

Besides the aforementioned main components, the fund also supports **cross-cutting projects** for innovative low-carbon solutions that lead to emission reductions in multiple sectors (e.g. through industrial symbiosis), including some of those related to the environment, such as the transition to a circular economy and pollution prevention, control and protection. It is also open to **small-scale projects** in which total capital costs are under EUR 7.5 million. Overall, the Innovation Fund contributes to the green recovery of the EU economy, helping businesses invest in clean energy and clean industry solutions to boost economic growth, create local jobs and give a competitive advantage to EU industry.

In addition, environmental integration can be promoted through the measures outlined in [Chapter 2](#), for example through the precautionary principle or the DNSH principle, or by ensuring compliance with environmental legislation, including on EIAs.

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<sup>70</sup> For more information, see the European Commission's web page on the 2050 long-term strategy ([https://ec.europa.eu/clima/eu-action/climate-strategies-targets/2050-long-term-strategy\\_en](https://ec.europa.eu/clima/eu-action/climate-strategies-targets/2050-long-term-strategy_en)).

## Useful links and resources

- Innovation Fund information: [https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund\\_en](https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund_en)
- Project portfolio: <https://webgate.ec.europa.eu/dashboard/sense/app/e32ef3f5-0e0e-4be3-8f14-8e2fb5a20aa7/sheet/bac47ac8-b5c7-4cd1-87ad-9f8d6d238eae/state/analysis>
- Events and webinars: [https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund/events-and-webinars\\_en](https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund/events-and-webinars_en)
- Legal basis: [https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund/legal-framework\\_en](https://ec.europa.eu/clima/eu-action/funding-climate-action/innovation-fund/legal-framework_en)
- EU ETS: [https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets\\_en](https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets_en)



# Modernisation Fund

Support for the modernisation of energy systems and energy efficiency in the 10 lower income EU Member States

Key areas	Objective(s) and scope
<p>The Modernisation Fund provides a range of funding opportunities (grants, premiums, guarantee instruments, loans and capital injections) to support the 10 lower income EU Member States in their transition to climate neutrality. Eligible Member States select the types of investments they would like to support with their Modernisation Fund share. It is funded from revenues from the auctioning of 2 % of the total allowances for 2021–2030 under the EU ETS<sup>71</sup> and additional allowances transferred<sup>72</sup> to the Modernisation Fund by beneficiary Member States, with a total volume of about EUR 48 billion in 2021–2030 (assuming a price of EUR 75/tCO<sub>2</sub>).</p> <p><sup>71</sup> For more information, see the European Commission's web page on the EU ETS (<a href="https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets_en">https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets_en</a>).</p> <p><sup>72</sup> See the Directorate-General for Climate Action news article on this topic for more information (<a href="https://ec.europa.eu/clima/news-your-voice/news/five-beneficiary-member-states-opt-transfer-additional-allowances-modernisation-fund-2019-11-08_en">https://ec.europa.eu/clima/news-your-voice/news/five-beneficiary-member-states-opt-transfer-additional-allowances-modernisation-fund-2019-11-08_en</a>).</p>	<p>The Modernisation Fund aims to help selected Member States – Bulgaria, Czechia, Estonia, Croatia, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia – to:</p> <ul style="list-style-type: none"> <li>• meet the <b>2030 climate and energy targets</b> and play an active role in the EU transition to climate neutrality;</li> <li>• increase <b>energy security</b> by supporting increased interconnections and modernisation of energy networks;</li> <li>• enhance the <b>financing of renewable energy sources</b>;</li> <li>• make the <b>economies and the energy sectors greener and cleaner</b>;</li> <li>• promote the <b>exchange of best practices</b>.</li> </ul>

## Components

The Modernisation Fund envisages two types of investments:

1. **priority investments**, which have to fall into at least one priority area as defined by the ETS directive, including:
  - the **generation and use of electricity from renewable sources**;
  - the improvement of **energy efficiency**, including in transport, buildings, agriculture and waste, except in energy efficiency related to energy generation using solid fossil fuels;
  - **energy storage**;
  - the **modernisation of energy networks**, including district heating pipelines, grids for electricity transmission and the increase of interconnections among Member States;
  - support for a **just transition in carbon-dependent regions**, including support for the redeployment, reskilling and upskilling of workers, for education, for job-seeking initiatives and start-ups, and in dialogue with social partners.
2. non-priority investments, which do not fall into a priority area but meet the Modernisation Fund objectives and demonstrate a reduction of greenhouse gas emissions.

## Type of funding

The Modernisation Fund operates under the responsibility of the beneficiary Member States, which work in close cooperation with the EIB and the European Commission. Member States select and submit the investments they wish to get Modernisation Fund support for. No direct applications by project promoters can be sent to the EIB or the Commission. After the EIB assessment and confirmation of the investment as a priority, the European Commission takes a disbursement decision. In the case of non-priority investments, investments are confirmed by the fund's Investment Committee on the basis of an EIB due diligence report and recommendation. Subsequently, within 30 days, the EIB **transfers the resources** to the beneficiary Member State. The beneficiary **Member State is then responsible for paying the support to the project promoters or scheme MA(s)** upon the disbursement decision of the Commission.

The Modernisation Fund leaves the beneficiary Member States the freedom to decide on the form of support: grants, premiums, guarantee instruments, loans or capital injections. In addition, **co-financing** from private and public entities is possible. Member States can also draw on existing national funds and/or European instruments (i.e. some of the funding programmes presented in this guide, such as the CEF, the CF, the ERDF and the JTF).

## Opportunities for directly targeting the environment

Not applicable

## Opportunities for environmental integration

The Modernisation Fund is recognised in the European Green Deal investment plan as one of the key funding instruments contributing to the objectives of the European Green Deal. It supports investments consistent with the 2030 climate and energy objectives of the EU, as well as with the Paris Agreement.

In addition, environmental integration can be voluntarily promoted through the measures outlined in [Chapter 2](#), for example through the precautionary principle or the DNSH principle. In addition, compliance with EU legislation, including environmental legislation, is a requirement under the Modernisation Fund. This can promote environmental objectives such as pollution reduction and can prevent harm from occurring in, for example, environmentally sensitive areas.

## Options for technical assistance

- Modernisation Fund overview: [https://ec.europa.eu/clima/eu-action/funding-climate-action/modernisation-fund\\_en#ecl-inpage-1555](https://ec.europa.eu/clima/eu-action/funding-climate-action/modernisation-fund_en#ecl-inpage-1555)
- Guidance and support: <https://modernisationfund.eu/contact/>
- Frequently asked questions: <https://modernisationfund.eu/faq>

## Useful links and resources

- Modernisation Fund website: <https://modernisationfund.eu/>
- EU ETS: [https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets\\_en](https://ec.europa.eu/clima/eu-action/eu-emissions-trading-system-eu-ets_en)

### *Project examples*

*A database of the funded projects is available at <https://modernisationfund.eu/investments/>*



