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IMPLEMENTING THE AMSTERDAM DECLARATION

THE PEP PARTNERSHIP

Transport, Environment and Health

**A pocket guidebook to working in
partnership with the European Union**



***UPDATED VERSION FOR THE PEP STEERING COMMITTEE
AT ITS TENTH SESSION***

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Introduction

About the Transport, Health and Environment Pan European Programme (THE PEP)

The Transport Health and Environment Pan European Programme (THE PEP), established in 2002, aims at bringing together key players from the three sectors on an equal footing. THE PEP pools capacities and skills from Europe, Caucasus, Central Asia and North America to support translating national policy into local action. It offers a platform for countries to share information and know-how and benefit from experience. By integrating transport, health and environment policies, THE PEP contributes to a greener economy, safeguarding health and the environment.

Following the Third High Level Meeting on Transport Environment and Health (2009), which adopted the Amsterdam Declaration – Making THE Link – *Transport choices for our Health, Environment and Prosperity*, THE PEP work plan is geared towards the achievement of the following four priority goals:

1. to contribute to sustainable economic development and stimulate job creation through investment in environment and health-friendly transport;
2. to manage sustainable mobility and promote a more efficient transport system,
3. to reduce emissions of transport-related greenhouse gases, air pollutants and noise and
4. to promote policies and actions conducive to healthy and safe modes of transport

Progress towards the achievement of these goals is facilitated by three supportive implementation mechanisms, which include:

- the development of partnerships between interested stakeholder to address specific priority areas;
- thematic workshops to strengthen capacities and share experiences (THE PEP relay race)
- support to national implementation, notably through the development of National Transport, Health and Environment Action Plans (NTHEAPs).

The implementation of THE PEP work plan implies the development of collaborations among different countries from the pan-European Region, as well between different level of policy, ranging from the international to the national and local ones.

In this context, the European Union stands out as a key partner for European governments, both through its set of policies in the fields of transport, health, environment, and through the numerous opportunities for collaboration and support to national action and international cooperation provided by its set of financing instruments.

An example of an on-going collaboration with the European Commission is a project co-financed by the Directorate General for Health and Consumers Safety under its Health Programme, on "Promoting networking and action on healthy and equitable environments for physical activity (PHAN)". PHAN is contributing to THE PEP implementation, by providing the opportunity of further improving tools for including the health effects of cycling and walking into transport policies.

About this document

This guidebook was developed by a consultant to THE PEP secretariat to provide Member States and other stakeholders participating in THE PEP implementation with basic information about how to integrate the national economic resources with the funding opportunities offered by European Union in the three main operational sectors of the PEP Programme: Transport, Health and Environment.

The guidebook focuses on the EU financial instruments of the greatest potential relevance to THE PEP, as well as on opportunities for non—EU member states to participate in the projects. It is not meant to provide a comprehensive guidance on each of the instruments reviewed, but rather at offering a synthetic overview of existing opportunities. After highlighting the main categories of available financial instruments, the document highlights operational aspects such as:

- specific funding instruments and their scope;
- funding mechanisms;
- eligibility for participation;
- existing resources to support participation;
- indications on how to apply.

It is hoped that this guidebook will facilitate a better understanding of the many opportunities for collaboration with the European Union and be a supportive practical tool for the further implementation of THE PEP work plan.

About the principles of the European Union supportive instruments

The current financial tools were established following the publication on the 26 January 2005 of the European Commission the EU COM(2005) 12 final document, in which the European Union indicated the "strategic objectives" for the period 2005 – 2009 "*Europe 2010: A Partnership for European Renewal*" in which the goals of "Prosperity, Solidarity and Security" were identified.

- The "*prosperity*" principle aims at giving a response to the lack of growth and to foster the job creation in order to safeguard the standard of living and social protection in Europe.
- The "*solidarity*" principle aims at working for sustainable development to meet the needs of the present without compromising the ability of future generations to meet their own needs.

- The “*security and freedom*” principle involves that European institutions must tackle the risks faced by citizens in their daily life. The protection of the life and the property of citizens is a core task giving legitimacy to public power and public policies. Security also means the ability of citizens to run their daily life on a secure basis. This can be put at risk by natural disasters, environmental or health crises and transport and energy threats. The Union has a role to play at all stages: risk prevention, early warning, crisis management, and acting in solidarity with the victims of disasters.
- “*Europe as International Partner*” based on the principle that in the world today, EU can only deliver fully on our key internal priorities if we succeed on the world scene. Globalization and increasing interdependence have abolished many of the old distinctions between internal and external policy challenges. The political clout of the Union should better match its economic weight. To address this goal, the Union must achieve greater political coherence in external action: coherence between different branches of external policy; coherence between internal and external policies; and coherence in action between that of the Union or Member States bilaterally. The EU policy towards the rest of the world is oriented mainly in the following directions:
 - *future enlargements* of the European Union to increase its global strength, to prepare further enlargements, focusing on the negotiations with Croatia¹, the former Yugoslav Republic of Macedonia, Turkey, Iceland and Montenegro. At the same time, the other South Eastern Countries (Albania, Bosnia-Herzegovina, Kosovo and Serbia) will also be brought closer to the membership perspective;
 - the *neighbourhood policy* to increase the reach of the largest economy in the world. It aims at creating a more integrated space with our neighbours (Newly Independent States - NIS and the Mediterranean countries - MEDA) for the better management of some sectors: trade, immigration, networks and services, to list just a few examples of areas where there is the need for such integrated space. The economic and social progress of the whole Mediterranean area and countries that border it is also a prime European concern;
 - *development of much closer partnerships*, based on the economic interests, with EU new trading partners in Asia such as China and India, as well as with Brazil and Latin America more generally in order to promote competitiveness and growth;
 - *promotion of global solidarity* seen also a way to promote and protect our values outside our borders. Europe must promote stable international growth founded on sustainable development and remain true to its commitment to human rights and to the poverty reduction through effective multilateralism and trade liberalization facilitating the integration of developing countries into the world economy. The Union needs a specific response for Africa, in particular Sub-Saharan Africa which is falling behind;
 - *Europe cannot survive as an island of peace in a world of instability*. Europe’s external policy needs to be adjusted to international developments including crisis and global security challenges. The Union has the potential to wield

¹¹ Croatia Membership to EU is foreseen by July 2013

much more influence over the long-term political and economic choices determining prosperity and stability in Europe and the wider world. In turn, these influence the well-being and security of Europeans. External action is also required to tackle stability and security issues at their root by strongly promoting sustainable development through both multilateral and bilateral channels. They must be at the heart of all the Union's external relationships. A successful neighbourhood policy is a step towards world stability and security. So Europe's commitment is to play an active role in searching for, and implementing on the ground a Middle East peace settlement. So too is closer security cooperation with the United States in the framework of a re-invigorated transatlantic partnership.

- Also *European security and defence capabilities* need to match these challenges by providing a fully credible capability for action, through a full implementation of the European Security Strategy and a more effective European Security and Defence Policy.



Further documentation

The text of the communication is available on the following link:

http://eur-lex.europa.eu/LexUriServ/site/en/com/2005/com2005_0012en01.pdf

The main financial mechanisms of the EU

In order to achieve its strategic objectives, the European Union (EU) has set up two different modalities of financial instruments:

- A. the ***indirect management***, which includes:
 - Structural Funds
- B. the ***direct management***, which includes:
 - EU direct funding
 - External assistance financial instruments

Financial support from EU is usually provided on a project selection procedure. The EU, through its various financial instruments promotes cooperation and synergy across and outside Europe.

The difference between direct and indirect funding

To the "***indirect funding***" belong the so-called "Structural Funds" and "Cohesion Fund", which are financial tools set up to implement the Cohesion policy, are also referred to as the Regional policy of the European Union. They aim to reduce regional disparities in terms of income, wealth and opportunities. Europe's poorer regions receive most of the support, but all European regions are eligible for funding under the policy's various funds and programmes.



The **Structural Funds** are made up of the

- European Regional Development Fund (ERDF)
- European Social Fund (ESF).

Together with the Common Agricultural Policy (CAP), the European Fisheries Fund (EEF), the Structural Funds and the Cohesion Fund make up the great bulk of EU funding, and the majority of total EU spending.

Apart from funds under the Cohesion policy, there are other funds that have the potential to contribute to the regional development. These are:

- Funds under the CAP, namely the European agricultural guarantee fund (EAGF)
- the European Agricultural Fund for Rural Development (EAFRD)
- The European fisheries fund (EFF)

In the **indirect funding**, (the Structural Funds) the Community budget, is spent through a system of shared responsibility between the European Commission and the Member State authorities:

- the Commission negotiates and approves the development programmes proposed by the Member States, and allocates resources;
- the Member States and their regions manage the programmes, implement them by selecting projects, control and assess them;
- the Commission is involved in programme monitoring, commits and pays out approved expenditure and verifies the control systems.

For each operational programme, the Member State appoints:

- **a managing authority** (a national, regional or local public authority or public/private body to manage the Operational Programme);
- **a certification body** (a national, regional or local public authority or body to certify the statement of expenditure and the payment applications before their transmission to the Commission);
- **an auditing body** (a national, regional or local public authority or body for each Operational Programme to oversee the efficient running of the management and monitoring system).



Remember

Through this system over the 76% of the EU budget is thus managed by national and regional authorities.

In the **Direct funding** also known as “community programmes”, the European Union, through the different General Directorates of the European Commission manage directly the EU budget in the different sectors (research, education, environment, transport etc.). The funds are transferred directly from the European Commission to the beneficiaries who use the budget to implement the awarded projects.

Another important distinction lies in the fact that structural funds fund mainly infrastructure, whereas the direct tools fund mostly innovative ideas in partnership with other countries.

How do I apply?

- Applications, within the structural Funds are managed at national and regional level and, as a result, are submitted to and evaluated by national and regional Authorities.

- For EU grants, application procedures are set out in the call for proposals for specific programmes and project proposers apply directly to the European Commission or an executive agency which runs the programme in question.

The difference between grants and public contracts

The General Directorates of the European Commission to implement the European Programmes may use two types of procedures:

- ***Grants*** are awarded to the beneficiary to co-finance specific projects or objectives and can usually be obtained through call for proposals.
- ***Public contracts*** are awarded through call for tenders (public procurement) to buy services, goods or works in order to ensure the operations of EU Institutions or programmes.

THE PEP and the EU funding instruments at a glance

The following table provides a synthetic overview of existing instruments, which are further discussed in the following sections.

Funding line	Area of relevance	Who can apply	Funding mechanism	Who can help?	Beneficiary Countries
DIRECT FUNDING					
Life+	Environment	Public or private bodies Actors or institutions registered in the European Union.	Call for proposals published on the Official Journal of the EU or on the DG website	DG EU Environment and National Contact Point, usually the National Environment Ministries of the Member States	EU Member States
Competitiveness and Innovation Framework Programme (CIP)	Environment Transport Health	Industrial companies SME Financial institutions Business organizations	Call for proposals published on the Official Journal of the EU or on the DG website	DG Enterprise and Industry Enterprise Europe Network	EU Member States EFTA Candidate Countries
Entrepreneurship and Innovation Programme (EIP)	Environment Transport	Industrial companies SME Financial institutions Business organizations	Call for proposals published on the Official Journal of the EU or on the DG website	DG Enterprise and Industry Enterprise Europe Network	EU Member States EFTA Countries Croatia Macedonia Montenegro Turkey Serbia For some parts: Israel Albania
Information Communication Technologies Policy Support Programme	Environment Transport Health	Industrial companies SME Financial institutions Business organizations	Call for proposals to be published on the Official Journal of the EU or on the website of the DG	DG Enterprise and Industry Enterprise Europe Network	EU Member States Norway EFTA Countries Croatia

Funding line	Area of relevance	Who can apply	Funding mechanism	Who can help?	Beneficiary Countries
(ICT-PSP)				CIP National Contact Points specialized on ICT	Turkey Serbia
Intelligent Energy Europe Programme (IEE)	Environment Transport Energy Climate change	Industrial companies SME Financial institutions Business organizations	Call for proposals to be published on the Official Journal of the EU or on the website of the DG	DG Enterprise and Industry Enterprise Europe Network CIP National Contact Points specialized on IEE	EU Member States Norway EFTA Countries Croatia
Research Seventh Framework Programme (FP7)	Environment Transport Health Energy Climate change	Research groups at Universities and research Institutes SMEs, industries Public administrations Researchers International organizations Civil society Organizations	Call for proposals to be published on the Official Journal of the EU or on Cordis website	Different thematic DGs National Contact Points Cordis Help desk	EU Member States Candidate Countries Associated Countries Third Countries
Trans European Networks -Transport (TEN-T) Trans European Networks -Transport (TEN-E)	Transport Environment Climate change	Companies International organizations Joint undertakings Private/public undertakings bodies	Call for tenders published on the website of the DG Mobility and Transport	DG Mobility and Transport	EU Member States
Marco Polo	Transport	Single undertakings and consortia both from private and public sector	Call for proposals to be published on the Official Journal of the EU or on the website of the DG	DG Transport Marco Polo Help desk	EU Member States Candidate Countries Croatia EFTA Countries Third Countries (As associated Countries)
Health programme	Health	Non-governmental organizations, public sector bodies, public administrations, universities, higher education establishments, public and private research institutions and commercial firms.	Call for proposals to be published on the Official Journal of the EU or on the website of the DG	DG Health and Consumers Executive Agency for Health and Consumers	EU Member States EFTA Countries Croatia Macedonia Albania Serbia Montenegro

Funding line	Area of relevance	Who can apply	Funding mechanism	Who can help?	Beneficiary Countries
Consumer Programme	Health	Public bodies Non-profit organizations Universities and equivalent institutions Specialized ONG European consumer organizations Consumer protection officials	Call for proposals to be published on the Official Journal of the EU or on the DG website	DG Health and Consumers Executive Agency for Health and Consumers	EU Member States EFTA Countries Third countries covered by the European Neighborhood Policy Acceding and Candidate Countries
Instrument for Pre-Accession Assistance (IPA)	Environment Transport Health	Any natural and legal person based in the eligible countries (under eligible component)	Call for tenders to be published on the Official Journal of the EU (TED database) or on the website of the DG	DG Enlargement	EU Potential and candidate countries
The European Neighborhood and Partnership Instrument (ENPI)	Transport Environment Health	Decentralized institutions and entities in partner countries and regions Mixed organizations, International and regional organizations International financial institutions European institutions and agencies to a certain extent Non-governmental players	Call for tenders to be published on the Official Journal of the EU (Ted database) or on the DG's website	DG Development and cooperation	MEDA countries²: Algeria Egypt Gaza/West Bank (Palestine Authority), Israel Jordan, Lebanon Morocco, Syria Tunisia Libya Turkey NIS countries³: Ukraine Belarus, Kazakhstan, Uzbekistan, Tajikistan, Kyrgyzstan, Georgia, Azerbaijan, Armenia

² Algeria; Egypt; Israel; Jordan; Lebanon; Morocco; Syria; Tunisia; Turkey

³ The countries that until 1991 were constituent republics of the USSR, including Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

Funding line	Area of relevance	Who can apply	Funding mechanism	Who can help?	Beneficiary Countries
Development Co-operation Instrument (DCI)	Transport Environment Health	Regions Institutions Local governments in the partner countries Non state actors International organizations EU agencies	Call for tenders to be published on the Official Journal of the EU (TED database) or on the website of the DG	DG Development and cooperation	Turkmenistan 18 countries in Latin America 29 in Asia 5 in the Middle East and South Africa
INDIRECT FUNDING					
Objective Convergence Objective Regional Competitiveness and Employment Objective	Transport, Environment Health	Public bodies Some private sector organisations (especially small businesses) Universities and associations NGOs and voluntary organisations. Foreign firms with a base in the region covered by the relevant operational programme	Applications have to be sent to National and Regional Authorities	The Managing Authorities of the Single Regional or national Operational Programmes	EU Member States
Objective Territorial Cooperation	Transport Environment	Public bodies Some private sector organisations (especially small businesses) Universities and associations NGOs and voluntary organisations. Foreign firms with a base in the region covered by the relevant operational programme	Applications have to be sent to the Programme Secretariat	The Managing Authorities of the Single Operational Programmes	EU Member States IPA countries Meda countries

The indirect funding: the Structural funds

The Structural funds include *three objectives*;

1. Convergence Objective
2. Regional Competitiveness and Employment Objective
3. Territorial Cooperation Objective

and *three funds*:

1. European Regional Development Fund (ERDF)
2. European Social Fund (ESF)
3. The Cohesion Fund

The three objectives

Convergence Objective

The Convergence objective (Formerly Objective 1): covers regions whose GDP per capita is below 75% of the EU average and aims at accelerating their economic development. It is financed by the ERDF, the ESF and the Cohesion Fund. The priorities under this objective are human and physical capital, innovation, knowledge society, environment and administrative efficiency. The budget allocated to this objective is € 283.3bn in current prices.

The list of the covered regions in Europe is available at the following web site:

http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#1

Regional Competitiveness and Employment Objective

Regional Competitiveness and Employment Objective (Formerly Objective 2) covers all regions of the EU territory, except those already covered by the Convergence objective. It aims at reinforcing competitiveness, employment and attractiveness of these regions. Innovation, the promotion of entrepreneurship and environment protection are the main themes of this objective. The funding – € 55bn in current prices – comes from the ERDF and the ESF.

The list of the covered regions in Europe is available at the following web site:

http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#2

Territorial Cooperation Objective

Territorial Cooperation Objective (Formerly Objective 3) builds upon the Interreg initiatives of previous years, which were originally planned to be fully incorporated into the main objectives of the structural funds. Financed by the ERDF with a budget of €8.7bn, its aim is to promote cooperation between European regions, as well as the development of common solutions for issues such as urban, rural and coastal development, shared resource management or improved transport links. This objective is divided in three strands:

- *cross-border cooperation* (formerly the Interreg IIIA) - aimed at neighbouring border-regions
- *transnational cooperation* - aimed at the multilateral cooperation of regions from countries (minimally 3) divided into wider programme areas (e.g. Central Europe, Southeast Europe, Mediterranean, etc.)
- *interregional cooperation* - aimed at cooperation in the field of policy making, research and capacity building, encompassing programmes Interact II, ESPON, Interreg IVC and URBACT

The European Territorial Co-operation objective is financed by the European Regional Development Fund and supports cross-border, transnational and interregional co-operation programmes. The budget of €8.7 billion for this objective accounts for 2.5% of the total 2007-13 allocation for cohesion policy, including the allocation for Member States to participate in EU external border co-operation programmes supported by other instruments ([IPA](#) and [ENPI](#)). For European Territorial Co-operation the European Regional Development Fund (ERDF) regulation is applicable, in particular chapter 3.

The complete list of the concerned regions in Europe is available at the following web site: http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm#3

The European Grouping for Territorial Cooperation (EGTC) is a new European legal instrument designed to facilitate and promote cross-border, transnational and interregional cooperation. Unlike the structures which governed this kind of cooperation before 2007, the EGTC is a legal entity and as such, will enable regional and local authorities and other public bodies from different member states, to set up cooperation groupings with a legal personality.

More information about are available at the following web site:

http://ec.europa.eu/regional_policy/cooperate/cooperation/egtc/index_en.cfm

Cross-border co-operation programmes

Cross-border cooperation is essentially about "filling the gaps". It does so through agreed cross-border 'analysis and response' strategies, formulated in each of the 52 cross-border programmes. It deals with a wide range of issues, which include:

- Encouraging entrepreneurship, especially the development of SMEs, tourism, culture and cross-border trade;
- Improving joint management of natural resources;
- Supporting links between urban and rural areas;
- Improving access to transport and communication networks;
- Developing joint use of infrastructure;
- Administrative, employment and equal opportunities work.

Cross-border co-operation intends to address the challenges related to infrastructure (building bridges), markets and services (linking universities to business to clients) cultural or linguistic barriers.

The Cross-border Programmes are:

- 📌 CBC AT/CZ Austria - Czech Republic
- 📌 CBC AT/DE Austria - Bavaria
- 📌 CBC AT/HU Austria - Hungary
- 📌 CBC BE/DE/FR/LU Greater Region
- 📌 CBC BE/NL Border Region Flanders - Netherlands
- 📌 CBC CZ/PL Czech Republic - Poland
- 📌 CBC DE/AT/CH/LI Alpenrhein - Bodensee - Hochrhein
- 📌 CBC DE/CZ Bavaria - Czech Republic
- 📌 CBC DE/CZ Saxony - Czech Republic
- 📌 CBC DE/NL Germany - Netherlands
- 📌 CBC DE/PL Mecklenburg-Vorpommern/Brandenburg - Zachodniopomorskie
- 📌 CBC DE/PL Saxony - Poland
- 📌 CBC DK/DE Syddanmark - Schleswig - K.E.R.N.
- 📌 CBC EE/LV Estonia - Latvia
- 📌 CBC EL/BG Greece - Bulgaria
- 📌 CBC EL/CY Greece - Cyprus
- 📌 CBC EL/IT Greece - Italy
- 📌 CBC ES/FR/AD Spain - France - Andorra
- 📌 CBC ES/PT Spain - Portugal
- 📌 CBC FI/SE/EE/LA Central Baltic
- 📌 CBC FR/BR/SU Amazonia
- 📌 CBC FR/DE/CH Upper Rhine
- 📌 CBC FR/UK France (Manche) - England
- 📌 CBC FR/UK/BE/NL 2 Seas
- 📌 CBC France - Switzerland
- 📌 CBC HU/RO Hungary - Romania
- 📌 CBC HU/SK Hungary - Slovakia
- 📌 CBC IE/UK Northern Ireland - Border Region of Ireland - Western Scotland
- 📌 CBC IT/AT Italy - Austria
- 📌 CBC IT/CH Italy - Switzerland
- 📌 CBC IT/FR Italy - France 'Maritime'
- 📌 CBC IT/FR Italy - France ALCOTRA
- 📌 CBC IT/MT Italy - Malta
- 📌 CBC IT/SI Italy- Slovenia
- 📌 CBC LT/PL Lithuania - Poland
- 📌 CBC LV/LT Latvia - Lithuania
- 📌 CBC NL/BE/DE Euregio Meuse-Rhine
- 📌 CBC PL/DE Lubuskie - Brandenburg
- 📌 CBC PL/SE/DK/LT/DE South Baltic
- 📌 CBC PL/SK Poland - Slovak Republic
- 📌 CBC Programme Spain External Borders
- 📌 CBC RO/BG Romania - Bulgaria
- 📌 CBC SE/DK/NO Öresund - Kattegat - Skagerrak
- 📌 CBC SE/FI/NO Botnia - Atlantica
- 📌 CBC SE/FI/NO Nord
- 📌 CBC SE/NO Sweden - Norway
- 📌 CBC SI/AT Slovenia - Austria
- 📌 CBC SI/HU Slovenia - Hungary
- 📌 CBC SK/AT Slovak Republic - Austria
- 📌 CBC SK/CZ Slovak Republic - Czech Republic
- 📌 CBC UK/IE Ireland - Wales
- 📌 CBC AT/CZ Austria - Czech Republic

For the link to each single programme web site visit Interact web site:
<http://www.interact-eu.net/cbcprogrammes/18>

The programme factsheets are available in electronic form and in other languages on the DG Regional Policy Website.

http://ec.europa.eu/regional_policy/atlas2007/eu/crossborder/index_en.htm

Transnational co-operation programmes

The transnational programmes add an important extra European dimension to regional development, developed from analysis at a European level, leading to agreed priorities and a coordinated strategic response.

This allows meaningful work between regions from several EU Member States on matters such as communication corridors, flood management, international business and research linkages, and the development of more viable and sustainable markets. Themes covered include:

- Innovation, especially networks of universities, research institutions, SMEs;
- Environment, especially water resources, rivers, lakes, sea;
- Accessibility, including telecommunications, and in particular the completion of networks;
- Sustainable urban development, especially polycentric development.

The Cross-border Programmes are:

There are currently 13 transnational co-operation programmes. The Transnational programmes are:

- ✚ Northern Periphery
- ✚ Baltic Sea
- ✚ North West Europe
- ✚ North Sea
- ✚ Atlantic coast
- ✚ Alpine Space
- ✚ Central Europe
- ✚ South West Europe
- ✚ Mediterrenean
- ✚ South East Europe
- ✚ Caribbean Area
- ✚ Acores-Madeiras-Canarias
- ✚ Indian Ocean area

For the link to each single programme web site visit Interact web site:

http://www.interact-eu.net/transnational_programmes/110

Further information is available on Europe portal

http://ec.europa.eu/regional_policy/cooperate/cooperation/transnational/index_en.cfm

Interregional co-operation

Interregional cooperation works at pan-European level, covering all EU-27 Member States, and more. It builds networks to develop good practice and facilitate the exchange and transfer of experience by successful regions. It showcases what regions do well, to the benefit of those still investing.

The INTERREG IV C programme enables EU regions to work together and is structured around two priorities, which address:

- innovation and the knowledge economy
- environment and risk prevention.

It involves the following countries: EU-27, Norway and Switzerland.

Priority 2 of the programme includes the following sub-themes:

- natural and technological risks (including climate change);
- water management;
- waste management;
- biodiversity and preservation of natural heritage (including air quality);
- energy and sustainable transport;
- cultural heritage and landscape.

Priority 1 includes as a sub-theme innovation, research and technological development.

Further information is available at the following web site:

<http://www.interreg4c.net/>

The network programme: Urbact

The URBACT II programme brings together actors at local and regional level to exchange experience and to facilitate learning on urban policy themes. The programme supports thematic networks and working groups between cities, conferences and the development of tools.

It involves 29 countries (EU-27 Member States, Norway and Switzerland) for a total of 300 cities.

Further information is available at the following web site:

<http://urbact.eu/>

The three Funds

European Regional Development Fund

The European Regional Development Fund (ERDF) supports programmes addressing regional development, economic change, enhanced competitiveness and territorial co-operation throughout the EU. Funding priorities include modernising economic structures, creating sustainable jobs and economic growth, research and innovation, environmental protection and risk prevention. Investment in infrastructure also retains an important role, especially in the least-developed regions.

Further information is available at the following web site:

http://ec.europa.eu/regional_policy/thefunds/regional/index_en.cfm

The European Social Fund

The European Social Fund (ESF) focuses on four key areas: increasing the adaptability of workers and enterprises, enhancing access to employment and participation in the labour market, reinforcing social inclusion by combating discrimination and facilitating access to the labour market for disadvantaged people, and promoting partnership for reform in the fields of employment and inclusion.

Further information is available at the following web site:

http://ec.europa.eu/regional_policy/thefunds/social/index_en.cfm

The Cohesion Fund

The Cohesion Fund contributes to interventions in the field of the environment and trans-European transport networks. It applies to Member States with a Gross National Income (GNI) of less than 90% of the EU average. As such, it covers all 12 new Member States as well as Greece and Portugal. Spain is also eligible for the Cohesion Fund, but on a transitional basis (so-called "phasing out").

In general, the overarching priorities for the Structural Funds are set at the EU level and then transformed into national priorities by the Member States and Regions.

At the EU level the overarching priorities are established in the Community Strategic Guidelines (CSG). These set the framework for all actions that can be taken using the funds. Within this framework, each Member State develops its own National Strategic Reference Framework (NSRF). The NSRF sets out the priorities for the respective member State, taking specific national policies into account.

Finally, Operational Programmes for each Region within the Member State are drawn up in accordance with the respective NSRF, reflecting the needs of individual regions.

Further information is available at the following web site:

http://ec.europa.eu/regional_policy/thefunds/cohesion/index_en.cfm

The basic documents

- *At EU Level:* Community Strategic Guidelines
- *At National Level:* National Strategic Reference Framework for each Member State,
- *At Regional Level:* Operational Programme for each Region.

The *Community Strategic Guidelines* (CSG) contain the principles and priorities of the EU's cohesion policy and suggest ways the European regions can take full advantage of the funding that has been made available for national and regional aid programmes for the period 2007-2013. There are three priorities:

- *Improving the attractiveness of member states*, regions and cities by improving accessibility, ensuring adequate quality and level of services, and preserving their environmental potential;
- *Encouraging innovation*, entrepreneurship and the growth of the knowledge economy by supporting research and innovation capacities, including new information and communication technologies;
- *Creating more and better jobs* by attracting more people into employment entrepreneurial activity, improving adaptability of workers and enterprises and increasing investment in human capital.

National Strategic Reference Framework (NSRF) establishes the main priorities for spending the EU structural funding a Member State receives between 2007 and 2013. Each Member State has its own NSRF. Adopting an NSRF is a new requirement of the Structural Funds regulations for 2007 to 2013. Each NSRF functions as a high-level strategy for the Operational Programmes in the respective Member State. The document provides an overview of the economic strengths and weaknesses of the Member State's regions, and sets out the approach to future Structural Funds spending across the member state.

An *Operational Programme* (OP) sets out a region's priorities for delivering the funds. Although there is scope for regional flexibility, a region's priorities must be consistent with the member state's NSRF.

There is an Operational Programme for each EU. These OPs, just like the NSRF, have to be approved by the European Commission before any implementation.

The complete list of the covered regions is available at the following web site:

http://ec.europa.eu/regional_policy/how/coverage/index_en.cfm

How to apply

You should apply for regional funding to the Authority managing the relevant Regional Programme. That body will evaluate your project and decide whether to grant funding.

The list is available at the following web site:

http://ec.europa.eu/regional_policy/country/prordn/index_en.cfm

Funding

The procedures for the allocation of Structural Funds to projects differ depending on the relevant National or Regional Programme. Application procedures (e.g. ongoing application and project selection, calls for proposals or competitions with fixed deadlines) are decided by the Managing Authority, depending on what is most appropriate for the activities in question. Project selection criteria are agreed by each Programme's Monitoring Committee

and are published (e.g. on Managing Authority websites or in some cases on the national Official Journals).

EU Official Journal: <http://eur-lex.europa.eu/JOIndex.do?ihmlang=en>

Who can apply?

Organisations that can benefit from regional funding include public bodies, some private sector organisations (especially small businesses), universities, associations, NGOs and voluntary organisations. Foreign firms with a base in the region covered by the relevant Operational Programme can also apply, provided they meet European public procurement rules.

Contact your managing authority for more information on who can apply in your region. Project promoters in countries that are candidates or potential candidates for EU membership should contact the Instrument for Pre-Accession Assistance ([IPA](#)).

In most cases, funding is granted to projects, so you need to develop a project to be eligible for funding, which you will then receive at different stages of the process.

Further information is available at the following web site:

http://ec.europa.eu/regional_policy/thefunds/access/index_en.cfm





Who can help me?

European Union has a network of information Centre to provide the citizens with information about their activities. The following is a directory of links to these information Points:



List of Contact Points

The following are EU Official information Points:

-  The Europe Direct information relays, with hundreds of information points all over Europe
http://europa.eu/europedirect/index_en.htm
-  The Managing Authority in your Country which can give you advice, through each stage of the project application
http://ec.europa.eu/regional_policy/manage/authority/authority_en.cfm
-  The European team in your local authority or chamber of commerce
-  Documentation centres which help universities and research institutes to promote and develop education and research on European integration and on other issues related to education and training. Anyone can visit a centre to consult official EU publications.
http://europa.eu/europedirect/meet_us/directory/index_en.htm
-  Expert speakers (Team Europe) (who are experts who can lead presentations, workshops or debates at trade fairs and conferences or within organisations by invitation (schools, NGOs, businesses, etc.).
http://europa.eu/europedirect/meet_us/directory/index_en.htm

The direct funding

The Community Programmes are a series of integrated measures accepted by the European Commission aiming to strengthen the co-operation among the Member States regarding Community policies for a period of time. The Community Programmes are financed from the general budget of the Community. All Acceding and Candidate countries have the opportunity to participate in the programmes, although, as a main condition of participation, an annual fee has to be paid to the budget.

Community Programmes can be tied to almost every Community policy. The Community decides on the type of programmes, their budgets and their durations. Any legal entity (sometimes individuals, too) can submit a proposal. The submission, evaluation and settlement of the accounts along with the full administration belong to the Administration of the Directorate Generals (DGs) of the European Commission.

The proposals can be submitted in a consortium with the participation of minimum two or more organisations from the EU Member States (specified in the Calls for Proposals). The applicants are directly in contact with EC officers, from the submission till the closure of the project. However, each participating country opens a national programme office or agency (either within a competent Ministry or within a separate organisation) whose task is the collection of information and mediation in order to assist the national applicants. In some cases the national programme coordinators have higher responsibility and competence.

At the beginning of 2007 the Union adopted a new generation of programmes for the financial programming period 2007-2013. These new programmes are particularly designed to stimulate innovation, economic growth and employment. The programming strategy prioritizes policies for sustainable economic progress, solidarity, security and a stronger role for Europe in the world. Given that the funding is made available at European level, the project needs to have a European dimension – an explicit European purpose which gives the project a European added value. However, how the European dimension is specified varies between the different programmes. In the research programme, for example, a key criterion for funding is to provide Europe with research excellence. Often, the European Commission also requires that the results of the project have relevance even outside the countries included in the project.

EU financing usually covers less than 75% of the total cost of a project. The rest often comes from national funds, private sponsors or even own resources, such as support staff and office resources. This support needs to be documented. The key providers of information on EU programmes in the different Member States are the National Contact Points (NCP) of each programme, the Representation Offices of the European Commission and the different EU information networks. NCPs, in particular, also often organise courses and seminars on how to apply and how to manage projects. They often provide potential applicants with programme user-guides in the national languages. The European Commission also distributes such information. Potential applicants can also use the national contact points and the regional EU offices in Brussels for information and support on the application process.

The direct funding can be divided in two main areas:

- **The European programmes** which allow the Member States to cooperate together, even if most of them are also open to the participation of other countries like the EFTA countries (Norway, Iceland and Lichtenstein) the potential and candidate countries, Switzerland and other third countries;
- **The external assistance programmes** which represent the legal framework of the EU's external assistance to Neighbour, Third and Developing Countries.

What is a project?

An EU project can take many forms. Typically, a project is carried out by consortia with participants from different countries that aim at increasing mobility, developing new knowledge, or strengthening European dimensions. The size, scope and internal organisation of projects can vary from field to field and from topic to topic. Increasingly, consortia are forming larger EU project networks. Here, a number of organisations combine their activities in a given field. Implementation of these activities usually requires the networks to formally commit their resources and activities in the network. An EU project can also be set up to coordinate or support activities and policies (networking, exchanges, transnational access to infrastructures, studies, conferences, etc.).

Individual projects are also possible. Here, a project is set up to support other projects carried out by individual national or transnational teams. Also, projects can be set up to support the training of network and agency staff.

How do I know that my project is eligible for EU funding?

A European project to be successful has to include some basic elements which justify a request for funding to the EU. In addition, to be successful a project has to “survive” to the European funding. The following check-list provides you with some elements useful to check the eligibility of your project proposal.



When preparing a project proposal ask yourself if your project respond to the following criteria:

Transnationality

- ✚ Does the project encourage geographic mobility?
- ✚ Does it involve more than 2/3 EU partners?
- ✚ As single initiatives are not considered, is the project including a big and strong partnership?

Innovation

- ✚ In what way is the project innovative?
- ✚ Does it create new methods and processes?
- ✚ Does it define new objectives?
- ✚ Does it modify already existing systems?
- ✚ Does it introduce new approaches?

European Added Value

- ✚ The objectives and the consequences of the actions can be better reached at European level rather than at national or local level?

Subsidiarity

- ✚ Is EU intervening because Local Governments, the Regions and the State are not able to solve that particular problem?

Sustainability

- ✚ Is the benefits flow, which the project is bringing about, going to develop and last in the long-run?

Community interest

- ✚ Does the project respond to the objectives of the European Union in that specific field?

Visibility and transparency

- ✚ Are you guaranteeing to the project enough visibility so that also the general public is aware of what you are doing?
- ✚ Are you making available all the information regarding the project_accessible to the general public?

When to apply?

After the EU has decided to launch a programme, the EU Official Journal publishes a call for proposals. As in the new programming period it is not mandatory any more to publish the call for proposals on the EU Official journals, it is better to check always also the web site of the different Directorates Generals (DG) of the European Commission managing the single funding. Often, other publication channels spread the information as well. Usually the call is launched at specific information meetings, often organised by the European Commission in Brussels or by the National Contact Points in the different countries. These meetings are highly valuable for focusing on what the Commission is looking for.

Most of the calls for proposals in the programmes are published in the EU Official Journal (OJ): <http://eur-lex.europa.eu/>

The OJ publishes all official EU information in all the official languages of the EU, and also publishes the EEA Supplement.

The Europa website (http://europa.eu/index_en.htm) gives the best overview of open calls. The information is organised by the directorate-general responsible for the programme in question. Here, the objective of the call, the criteria for funding and the formal application requirements are found. The call is usually open from 4 to 12 weeks.

However, sometimes the call is left "open", which means that one can apply for funding continuously (with fixed selection dates). The application is sent directly to the European Commission or the executive agencies in Brussels or located in other countries. But for some of the programmes, National Agencies manage the entire application process.



Remember:

- ✚ During the course of the year one or more competitions can be announced giving potential applicants the opportunity to submit a project proposal. Prior to the calls coming out, there is normally a draft of the call in circulation. Usually this information can be gained from various sources such as the National Contact Point in your country.
- ✚ To prepare your project proposal you do not need to wait for the call for proposals publication. The preparation of the project proposal is a difficult step, so once you have identified the funding line most suitable for your project it's better that you start soon to work at it.

What do I need to apply?


In order to start preparing a project proposal you need to have some basic documents on your desk, which can be easily downloaded from the internet.




Check-list for applying:

In order to apply you need to have on your desk the following documents:

The Regulation containing the Decision of Programme adoption available at:


 EU Official Journal series L

Call for proposals text available at:


 EU Official Journal series C

 DG web site


Guide for proposers available at:

 DG and Executive Agencies web site

Call for proposal Form available at:

 DG and Executive Agencies web site

Further documentation when requested available at:

 DG and Executive Agencies web site

How to apply?

Application forms are available online, through both the websites of the national contact point or the different Directorate General of EU Commission. Before applying for EU funds, it is important to have a clear idea of what the project aims to accomplish and ensure that all partners in the project are fully aware and supportive. The project idea needs to be checked against the programme objective and all the formal call criteria. The European added value should be explicit at a very early stage of the process and should include a clear objective for the distribution of the project results after the project has been completed. Making a budget for the project is time-consuming as it needs to be realistic and coherent even at an early stage.



Remember:

Writing an application includes the following basic elements:

- ✚ **the idea, objectives and target group** should be carefully defined. So ask yourself:
 - What is unique in this project?
 - What is the main innovation compared to what is already available?
 - What does the project want to do, for whom, how and when does it want to do it?
 - Which needs does the project respond to?
- ✚ **a clear target hierarchy should be established**, with quantity measures of resources and the time needed to carry out the project.
- ✚ what **methods and techniques** will the project use to obtain its objective? In larger projects, it is important to use a work package structure to describe the different stages of the project. In all proposals, it is important to be clear about milestones and objectives, including timelines, throughout the project.
- ✚ the application usually describes each **project partner** in detail, how each partner contributes to the project objective and how the partners cooperate. Here again, the European added value should be emphasised.
- ✚ **information, dissemination, and exploitation of project results** are an integral part of an application.
 - How will the project inform, to whom and when?
- ✚ **realistic budgeting** is an essential part of any successful EU project.

EU financing is usually based on three types of grants:

- reimbursement of eligible costs,
- lump sums
- flat rate financing.

These may be used to cover the entire EU financial contribution for a funding scheme or more than one may be combined. For most programmes, reimbursement of eligible costs

is the preferred method. However, lump sums and flat rate financing will be used more extensively in the new programmes.

When a project starts, its coordinator usually reports the costs and the results to the Commission, on an annual or biannual basis. Based on this, the Commission conducts regular reviews of the project, to ensure that it is following its objectives and the formal criteria for funding. Also, it is crucial to submit the application on time. Often, excellent applications are deemed ineligible due to avoidable mistakes or late arrival.



Remember:

- Each submission is different. It can either be in a single stage submission or you may be required to submit an initial Registration of Interest which will be a summary of your potential project. If you are successful at this stage you will be required to submit your full proposal.
- Most submissions are now made on-line. You are encouraged to submit your draft proposal then re-submit right up to the deadline.

How to find partners?

Most EU projects require at least 3 partners in different countries, even if wider partnership is preferred by the European Commission. The number of partners depends on which funding line we are going to use and usually it is indicated in the call for proposals.



Remember:

A well balanced geographically partnership, which includes partners from the north to south, and from east to west, increases the possibility of a project success.

Finding a good project consortium is a crucial part of the application process. Sourcing partners from existing networks, or from already completed or ongoing projects, often makes partner search quicker and cooperation easier. Through databases available on Commission websites, applicants can find lists of previous projects and overviews of partners available. The National Contact Points in the different countries can also support this partner search. It is important to make sure that all partners have a genuine interest in the project, as they often work together for several years.

The project consortium is often formalised through an agreement. It governs the internal organisation of the consortium, the distribution of funds, dissemination and use of project results, including intellectual property right arrangements, and settlement of internal disputes. Successful projects usually consist of some experienced and some new partners.

Within the project there is the project coordinator which usually comes from an organisation, body or enterprise with previous EU project experience. He is the only one who is legally and financially responsible for the project implementation towards the Commission as he:

- *manages the financial operations*: it receives the financial contribution from the Commission and distributes it to the single associated partners
- *provides reports on the implementation stage*: of the project in which the data related to the partners are included
- *updates the accountability books* and keeps the documentation related to all expenses and incomes of the project so as requested by the Commission

The other partners collaborate with the project coordinator in one or more project stages. Their contribution is aimed at helping the consortium in achieving one or more objectives of the project.

The European Commission is helpful and responsive to questions which may arise ahead of the application deadline. The Commission often sets up help desks to answer questions on the applications, and support the partner search during the period the call is open ("clinics").



Partner Search Tools:

The following are some Partner Search tools which can facilitate project proposers to create partnerships:

Ideal-Ist

It addresses ICT companies and research organisations worldwide wishing to find project partners for a participation in the Seventh Framework Programme (FP7).

<http://www.ideal-ist.eu/>

ManagEnergy

It allows you to look for Partners for Intelligent Energy - Europe project proposals or other activities. When choosing an item in the side bar menu you can also create or update your profile or add your project idea.

http://www.managenergy.net/partner_search

Regional Capacity Building Initiative

It is a Partner Search tools to look for partners within ENPI CBC programmes

Http://www.rcbi.info/pages/64_1.html

"Fit for Health"

It is a network of experts for the successful participation of research centres, universities and innovative SMEs in EU-funded "HEALTH" research projects.

<http://www.fitforhealth.eu/participate.aspx>

Ambient Assisted Living Joint Programme Partner Search facility

It is a service provided by the AAL (Ambient Assisted Living) Joint Programme offering a tool for finding partners or being found by partners for AAL projects

<http://ps.aal-europe.eu/>

NCP SME Network Partner Search Facility

The National Contact Points for European Small and Medium Size Enterprises PartnerSearch Facility helps you to find partners for your SME project idea under the 7th Framework Programme of the European Union.

<http://www.ncp-sme.net/partner-search>

South East Europe Programme Partner Search

The Partner Search section of the South East Europe Programme is intended to give potential applicants the opportunity to publish a summary of their project idea on the SEE Programme's official website with the aim of finding new partners.

<http://www.southeast-europe.net/en/projects/partnersearch/>

EU direct funding in the Environment and Energy sector

LIFE+ (2007 – 2013)



The general objective of Life+ is to contribute to the implementation, the updating and the development of environment Community policy and legislation, including the integration of the environment into other policies, thus contributing to sustainable development. In particular Life+ promotes the VII Framework Programme, including the thematic strategies, and finance measures and projects with a high European added-value.

LIFE+ pro, runs from 2007-2013 and has a budget of €2.143 billion. During the period 2007-2013, the European Commission has been launching one call for LIFE+ project proposals per year. Proposals must be eligible under one of the programme's three components:

- LIFE+ Nature and Biodiversity
- LIFE+ Environment Policy and Governance
- LIFE+ Information and Communication.

LIFE+ Nature & Biodiversity

The Nature & Biodiversity component continues and extends the former LIFE Nature programme. It co-finances best practice or demonstration projects that contribute to the implementation of the Birds and Habitats Directives and the Natura 2000 network. In addition, it co-finances innovative or demonstration projects that contribute to the implementation of the objectives of Commission Communication (COM (2006) 216 final) on "Halting the loss of biodiversity by 2010 – and beyond". At least 50 percent of the LIFE+ budget for project co-financing must be dedicated to LIFE+ Nature and Biodiversity projects.



Further reading

Commission Communication (COM (2006) 216 final) on "Halting the loss of biodiversity by 2010 – and beyond"

http://ec.europa.eu/environment/nature/biodiversity/comm2006/bap_2006.htm

LIFE+ Environment Policy & Governance

The Environment Policy & Governance component continues and extends the former LIFE Environment programme. It co-finances innovative or pilot projects that contribute to the

implementation of European environmental policy and the development of innovative policy ideas, technologies, methods and instruments. It also helps monitor pressures (including the long-term monitoring of forests and environmental interactions) on our environment.

LIFE+ Information & Communication

This new component co-finance projects relating to communication and awareness raising campaigns on environmental, nature protection or biodiversity conservation issues, as well as projects related to forest fire prevention (awareness raising, special training).

Guidelines for applicants for Life+ Programme are published annually with the call for proposals. The European Commission also organises information workshops for potential LIFE+ applicants in each EU Member State, providing valuable advice and guidance on what national authorities and the Commission expect from project proposals in national languages. Potential beneficiaries are advised, if possible, to attend one of these workshops, which generally take place in May, June and July.

The full text of the LIFE+ Regulation and information for each LIFE+ component – including how to apply for funding, project selection criteria and application forms – can be found on the funding section of the LIFE website.

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



Further information

Projects financed by LIFE+ must satisfy the following criteria:

- ✚ Projects must be of EU interest, making a significant contribution to the achievement of the general objective of LIFE+;
- ✚ They must be technically and financially coherent and feasible and provide value for money;
- ✚ Where possible, projects financed by LIFE+ should promote synergies between different priorities under the 6th Environmental Action Programme, and integration.

In addition, to ensure European added value and avoid financing recurring activities, projects should satisfy at least one of the following criteria:

- ✚ **Best-practice or demonstration projects**, for the implementation of the Birds and Habitats Directives;
- ✚ **Innovative or demonstration projects**, relating to EU environmental objectives, including the development or dissemination of best practice techniques, know-how or technologies;
- ✚ **Awareness-raising campaigns** and special training for agents involved in forest fire prevention;
- ✚ **Projects for the development and implementation of EU objectives** relating to the broad-based, harmonised, comprehensive and long-term monitoring of forests and environmental interactions.

Potential beneficiaries

LIFE+ is open to:

- public or private bodies
- actors or institutions registered in the European Union.

Project proposals can either be submitted by a single beneficiary or by a partnership which includes a coordinating beneficiary and one or several associated beneficiaries. They can be either national or transnational, but the actions must exclusively take place within the territory of the 27 Member States of the European Union.

Funding

The EU Co-financing rates are the following:

1. LIFE+ Nature and Biodiversity projects

The rate of the Union financial support shall be a maximum of 50 % of the eligible costs. Exceptionally, a maximum co-financing rate up to 75 % is applicable to proposals which target priority habitats/species of the Birds' and Habitats' Directives.

2. LIFE+ Environment Policy and Governance

The rate of the Union financial support shall be a maximum of 50 % of the eligible costs.

3. LIFE+ Information and Communication

The rate of the Union financial support shall be a maximum of 50 % of the eligible costs.

Submitting a proposal

Following the annual call for proposals, applicants to the programme must submit their proposals to the competent national authority of the Member State in which the coordinating beneficiary is registered. Member States forward project proposals to the Commission may set national priorities and may prepare comments on proposals, in particular in relation to national annual priorities. The project proposals received from the national LIFE+ authorities are registered by the Commission and an acknowledgement of receipt is transmitted to the coordinating beneficiary. The LIFE Unit of the Environment Directorate General is responsible for the evaluation procedure. It verifies the admissibility, exclusion and eligibility, the selection and the award criteria and proposes to the LIFE+ Committee a list of project proposals for co-financing, according to the criteria outlined in the "Guide for the evaluation of LIFE+ project proposals" (which is published each year with the call).

The LIFE+ Committee is made up of representatives of the 27 Member States and is chaired by the Commission. Should this Committee give a favourable opinion, and within the limits of the funds available, the Commission will then decide upon a list of projects to be co-financed. After approval by the European Parliament, individual grant agreements are sent to each successful coordinating beneficiary for signature.



Important

- ✚ The Commission aims to ensure a sound geographic distribution of projects by establishing indicative annual allocations for each Member State. These are based on population and the area of Natura 2000 sites.
- ✚ Proposals sent directly by applicants to the Commission are not accepted.

Competitiveness and Innovation Framework Programme (CIP)



With small and medium-sized enterprises (SMEs) as its main target, the Competitiveness and Innovation Framework Programme (CIP) supports innovation activities (including eco-innovation), provides better access to finance and delivers business support services in the regions.

It encourages a better take-up and use of information and communication technologies (ICT) and helps to develop the information society. It also promotes the increased use of renewable energies and energy efficiency. The CIP runs from 2007 to 2013 with an overall budget of € 3621 million.

The CIP is divided into **three operational programmes**. Each programme has its specific objectives, aimed at contributing to the competitiveness of enterprises and their innovative capacity in their own areas, such as ICT or sustainable energy:

- the [Entrepreneurship and Innovation Programme](#) (EIP)
- the [Information Communication Technologies Policy Support Programme](#) (ICT-PSP)
- the [Intelligent Energy Europe Programme](#) (IEE)

Entrepreneurship and Innovation Programme (EIP)

The EIP, one of the specific programmes under the CIP, seeks to support innovation and small and medium enterprises (SMEs) in the EU, focusing on access to finance for SMEs through "CIP financial instruments" which target SMEs in different phases of their lifecycle and support investments in technological development, innovation and eco-innovation, technology transfer and the cross border expansion of business activities.

Support is provided to:

- **Business services:** the "Enterprise Europe Network". Business and innovation service centres all around the EU and beyond provide enterprises with a range of quality and free-of-charge services to help make them more competitive.
- **Improving innovation policy:** Supports transnational networking of different actors in the innovation process and innovative companies, including benchmarking initiatives and the exchange of best practice.
- **Eco-innovation** pilot and market replication projects for the testing in real conditions of innovative products, processes and services that are not fully marketed due to residual risks and that are aimed at reducing environmental impacts, preventing pollution or achieving a more efficient use of natural resources. The Eco-innovation programme is addressed mainly to companies that have developed an environmental product, service, management practice or process which has a proven track record, but is not fully marketed due to residual risks. The

programme supports the market uptake of the eco-innovative products, services, processes, etc. Further information are available on the following web site: http://ec.europa.eu/environment/eco-innovation/index_en.htm

- **Innovation** and SME policy-making through contracts and grants: Analytical work and awareness raising activities (i.e. conferences and studies) on certain industrial sectors, SMEs or innovation policy are organised to inform and support policy-makers, and make policy suggestions to increase cooperation between EU Member States.

Further information on EIP is available at the following web site:

http://ec.europa.eu/cip/eip/index_en.htm

Information and Communication Technologies Policy Support Programme (ICT-PSP)

The Information and Communication Technologies Policy Support Programme (ICT-PSP) aims at stimulating a wider uptake of innovative ICT based services and the exploitation of digital content across Europe by citizens, governments and businesses, in particular SMEs. The focus is placed on driving this uptake in areas of public interest while addressing EU challenges such as moving towards a low carbon economy or coping with an ageing society.

The programme contributes to a better environment for developing ICT based services and helps overcome hurdles such as the lack of interoperability and market fragmentation. Funding goes mainly to pilot actions, involving both public and private organisations, for validating in real settings, innovative and interoperable ICT based services in areas such as:

- ICT for **health, ageing and inclusion**;
- Digital Libraries;
- ICT for improved public services;
- **ICT for energy efficiency and smart mobility**;
- Multilingual web and Internet evolution;
- Networking actions for sharing experiences and preparing the deployment of innovative ICT based solutions in such areas are also supported, as well as the monitoring of the Information Society through benchmarking, analyses and awareness raising actions.

Further information on ICT-PSP is available at the following web site:

http://ec.europa.eu/information_society/activities/ict_psp/index_en.htm

Intelligent Energy Europe Programme (IEE)

The IEE programme aims at giving a boost to clean and sustainable solutions. It supports their use and dissemination and the Europe-wide exchange of related knowledge and know-how. Targeted funding is provided for creative projects putting this idea into practice

The programme is implemented through the following actions:

1. Promoting energy efficiency and encouraging the rational use of energy sources (SAVE);

2. Increasing the use of new and renewable energy sources as well as encouraging energy diversification (ALTENER);
3. Stimulating energy efficiency and renewable in the field of transport (STEER)
4. integrated initiatives
5. promotion and dissemination projects

Potential beneficiaries

The Programme is open to the participation mainly of Industrial companies (including SMEs through intermediaries in the public sector, financial institutions, business organisations and other associations of the following countries:

- European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement;
- Accession countries and Candidate countries benefiting from a pre-accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Community programmes established in the respective Framework Agreements and Association Council Decisions;
- countries of the Western Balkans, in accordance with the provisions to be determined with those countries following the establishment of Framework Agreements concerning their participation in Community programmes;
- other third countries, when Agreements and procedures so allow.

The following non-EU-member countries are participating in the three specific CIP programmes:

- *Entrepreneurship and Innovation Programme (EIP)*: Norway, Iceland, Liechtenstein, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Turkey and Serbia fully participate in the EIP; Israel and Albania participate in certain parts.
- *Intelligent Energy Europe Programme (IEE)*: Norway, Iceland, Liechtenstein, and Croatia.
- *ICT Policy Support Programme (ICT-PSP)*: Norway, Iceland, Liechtenstein, Croatia, Turkey and Serbia.

Further information on IIE is available at the following web site:

http://ec.europa.eu/energy/intelligent/about/index_en.htm

Funding

The three EU funding sources (FP7, CIP and Structural Funds), when operating individually, provide significant support for research, development and innovation. However, their value can be further enhanced by combining them. When considering how the funding sources can be combined, a clear distinction must be made between, on the one hand, co-financing, and, on the other hand, complementary financing.



Some funding specifics

Co-financing

Although the EU can in some circumstances provide 100% of the eligible costs of the financing for a programme or project, the general rule is that the beneficiary (whether a public authority, SME or research entity) also contributes to the cost. This is called co-financing. The Structural Funds, FP7 and CIP each have their specific rules on the required level of co-financing. The question arises whether an applicant, faced with the need to provide a contribution to a project under one of the three instruments, could use funds it has received from one of the other instruments to cover the cost. In the case of the applicant's contribution to a project financed with the Structural Funds, the answer is a definite no. Structural Funds must be co-financed by national and regional public and private funds. This means that funds received from another Community programme, like FP7 or CIP, cannot be used to provide the required national contribution to a Structural Funds programme and such action would indeed be illegal. The same prohibition applies in the other direction to the use of Structural Funds to cover the applicant's contribution to a project funded by FP7 or the CIP. In the case of FP7 or the CIP, using one of these funds to cover the cost of the applicant's contribution to a project under the other fund is in practical terms impossible, given the system of calls for proposals with specific subjects, eligibility and selection criteria.

However, funds from the European Investment Bank Group (EIB and EIF) can be used to finance the national or regional contribution to a project under FP7, CIP or the Structural Funds. Finally, in all cases, the maximum level of public support for a project is subject to respect of the state aid rules and the maximum contribution rate for each of the funds.

Complementary financing

While co-financing the same project by different EU funds is either prohibited or not practically possible, it is possible to combine the resources of the Structural Funds, FP7 and CIP in a complementary way. This means using different funds for different actions (with separate cost statements/bills), which are carried out in a related or consecutive manner.

Eco-Innovation Funding

The projects are selected through annual calls for proposals and they receive grants covering up to 50% of the eligible project costs.

Funding for Pilots type A

Union funding for Type A pilots is up to 50% of those costs exclusively related to work needed to achieve the proposed interoperability goal. The Union contribution for this type of pilot typically ranges from 5 to 10 M€ per pilot unless specified otherwise within the objectives of the Work programme.

Funding for Pilots type B

Union funding for Type B pilots is up to 50% of total eligible costs (direct and indirect). The Union contribution for this type of pilot typically ranges from 2 to 4 M€ per pilot unless specified otherwise within the objectives of the Work programme.

Funding for Thematic Network

The typical Union contribution for each Thematic Network is 300-500K€ unless specified otherwise

Funding for Best Practice Networks

The Union funding for Best Practice Networks is limited to 80% of direct costs. No overheads may be claimed. The Union contribution for this type of project typically ranges from 3 to 5 M€ per project unless specified.

Submitting a proposal

The calls for proposals are published on the CIP website and on the web pages of each CIP programmes.

Each of the three CIP pillars has a separate work programme. By consulting the three work programmes you can have a clearer idea about the details of the actions covered by the calls for proposals to be published each year.

Further information on the call for proposals is available at the following web site:

http://ec.europa.eu/cip/index_en.htm



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

- ✚ The 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. It provides not only information but also qualified services on:
 - internationalisation;
 - finding partner organisations abroad;
 - technology transfer, etc.

http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

- ✚ National Contact Points on ICT-PSP

http://ec.europa.eu/information_society/activities/ict_psp/contacts/ncp/index_en.htm

- ✚ National Contact Points on Intelligent Energy

http://ec.europa.eu/energy/intelligent/contact/national-contact/index_en.htm

- ✚ Local and regional energy agencies

http://ec.europa.eu/energy/intelligent/in-action/local-and-regional-energy-agencies/index_en.htm

Seventh Research Framework Programme (FP7) Theme 2 and 6



The EU's Framework Programme for Research and Technological Development is the major tool to support the creation of the European Research Area, aiming at realizing a durable integration of European research systems and promoting scientific excellence and innovation as key factors of competitiveness and sustainable economic growth. The FP7 gives priority to Research in the field of economic development.



FP7 Sub-programmes:

FP7 activities can be grouped into 4 categories:

- ✚ The **“cooperation”** programme supports cooperation and aims to consolidate industry-research partnership in a transnational dimension
- ✚ The **“ideas”** programme supports the frontier research, as it opens new opportunities for scientific and technological advance, and is pivotal in producing new knowledge leading to future applications
- ✚ The **“people”** programme supports the quantitative and qualitative strengthening of human resources in the research market
- ✚ The **“capacities”** programme provides the researchers with effective facilities and equipment to enhance the quality and competitiveness of European Research.

The FP7 supports specific environmental projects predominately in the co-operation (collaborative research) programme. Relevant thematic areas include:

- Food, Agriculture and Fisheries and Biotechnology (theme 2)
- Environment, including climate change (theme 6).

Further information about the FP7 is available at Research and Innovation Participant Portal

<http://ec.europa.eu/research/participants/portal/page/home>

and on the Service and the European Commission FP7 website

<http://ec.europa.eu/research/fp7/>

Theme 2 – Food, Agriculture and Fisheries, Biotechnology

The primary aim of funding the 'Food, Agriculture and Fisheries, Biotechnology' research theme under the Seventh Framework Programme (FP7) is to build a European Knowledge Based Bio-Economy (KBBE).

The 'Food, Agriculture and Fisheries, and Biotechnology' theme is built around three major activities':

- sustainable production and management of biological resources from land, forest and aquatic environments;
- fork to farm: Food (including seafood), health and well-being;
- life sciences, biotechnology and biochemistry for sustainable non-food products and processes.

Further information on theme 2 is available at the following web site

<http://ec.europa.eu/research/participants/portal/page/cooperation#kbbe>

Theme 6 – Environment included climate change

The main objective of research for the environment under FP7 is to promote the sustainable management of both the man-made and the natural environment and its resources. To this end, increased knowledge on the interaction between the climate, the biosphere, ecosystems and human activities is sought and new environmentally-friendly technologies, tools and services are developed.

As environmental problems extend beyond national borders and natural resources are under pressure, Europe needs a new sustainable relationship with the environment.

Funded actions focus on:

- predicting changes in climate, ecological conditions, earth and ocean systems;
- tools and technologies for monitoring, prevention and mitigation of environmental pressures and risks including health risks;
- sustainability of the natural and man-made environment.

Funding in this area will also improve competitiveness and strengthen the position of European industries in world markets for environmental technologies.

Further information on theme 6 is available at the following web site

<http://ec.europa.eu/research/participants/portal/page/cooperation#env>

Potential beneficiaries

Participation in FP7 is open to a wide range of organisations and individuals:

- research groups at universities or research institutes
- companies intending to innovate
- small or medium-sized enterprises (SMEs)
- SME associations or groupings
- public or governmental administration (local, regional or national)
- early-stage researchers (postgraduate students)
- experienced researchers
- institutions running research infrastructures of transnational interest
- organisations and researchers from third countries
- international organisations

- civil society organizations

While FP7 participants can in principle be based anywhere, there are different categories of country which may have varying eligibility for different specific and work programmes:

- EU Member States;
- The Associated countries – with science and technology cooperation agreements that involved contributing to the framework programme budget;
- Candidate countries – currently recognised as candidates for future accession;
- Third countries - the participation of organisations or individuals established in countries that are not Member States, candidates or associated should also be justified in terms of the enhanced contribution to the objectives of FP7.

Funding

The basic principle of funding in FP7 is co-financing. This means that, in general, the Commission does not “purchase” research services by placing contracts and paying a price. Rather, it gives grants to projects, thus contributing a certain percentage to the overall costs. The maximum reimbursement rates to the costs of a project depend on the funding scheme, the legal status of the participants and the type of activity. The standard reimbursement rate for research and technological development activities is 50%. Certain legal entities can receive up to 75% (non-profit public bodies, SMEs, research organisations, higher education establishments). For demonstration activities, the reimbursement rate may reach 50%. For other activities (consortium management, networking, training, coordination, dissemination etc.), the reimbursement can be up to 100% of the eligible costs. The 100% rate applies also to frontier research actions under the European Research Council.

Submitting a proposal

The calls for proposals are published on the Research & Innovation Participant Portal <http://ec.europa.eu/research/participants/portal/page/cooperation>



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

- ✚ The 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. It provides not only information but also qualified services on:
 - internationalisation;
 - finding partner organisations abroad;
 - technology transfer, etc.

http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

- ✚ Research and Innovation Participant Portal

<http://ec.europa.eu/research/participants/portal/page/home>

- ✚ Programme Help desk

<http://ec.europa.eu/research/participants/portal/page/contactus>

TEN-T and Environment



Part of the TEN-T Transport Initiative, it aims in making Member States, Regions and project proposers respect the environmental acquis for infrastructure related to any Community co-financing. For the TENs, the main concerns are related to potential negative impacts arising from TEN-T. Article 8 of the TEN-T Guidelines stipulates that *“environmental protection must be taken into account by the Member States through the carrying out of an Environmental Impact Assessment (for projects) and a Strategic Environmental Assessment (for plans and programmes) and through the application of the nature directives”*. The Declaration of European Interest included in the Guidelines further emphasises Community legislation on environmental protection.

There are five Community directives particularly relevant for the Trans European Transport Network:

- Environmental Impact Assessment (EIA) Directive
- Strategic Environmental Assessment (SEA) Directive
- Birds Directive
- Habitats Directive
- Water Framework Directive

Another concern is the climate change. Addressing climate change requires two types of response:

- the reduction of greenhouse gas emissions ("mitigation measures")
- implementation of "adaptation" actions to deal with the unavoidable impacts.

Adaptation is particularly relevant for existing transport infrastructure where, for example changes in rain fall and heat patterns may be different from those that were taken into account when infrastructures were designed. Risks of damage and disruption due to storms, floods, heat waves, fires and landslides are expected to increase. The predicted sea level rise clearly has particular implications for ports for example, reducing the sheltering effect of breakwaters and quay walls. It could also have impacts where transport infrastructures are located close to the sea. It is going to be important to integrate adaptation into policies and adopt measures to increase the resilience of infrastructure. This means:

- promoting measures that are beneficial both for mitigation of and adaptation to climate change,
- avoiding adaptation measures that will make it more difficult to cope with future climate risks or exacerbate impacts in another region or cause the poorest groups or regions to be the worst hit
- adopting in the first place adaptation measures that would pay off in the short term irrespective of uncertainties in the future forecasts ("no regret" measures)

- considering worst-case scenario measures, even if uncertainties are high, in cases where the costs or the magnitude of the impacts in such scenarios would be unacceptable

For further information visit the following web site

http://ec.europa.eu/transport/infrastructure/ten-t-policy/other-areas/environment_en.htm

Potential beneficiaries

TEN-T funding opportunities are open to all EU Member States or, with the agreement of the Member States concerned, international organisations, joint undertakings, or public/private undertakings or bodies. Funding in TEN-T grants can support studies or works which contribute to TEN-T programme objectives.

Funding

In general, TEN-T projects are nonetheless funded to a major extent by from national governments.

Trans-European transport networks are co-financed by the following Community instruments:

- Grants from the Trans-European transport budget (Funding rules)
- Grants from the Cohesion Fund budget, in the countries eligible for its intervention
- Grants from the ERDF, priority on Convergence objective regions
- TEN-T budget
- Loans and guarantees from international financial institutions (e.g. the European Investment Bank (EIB)) and private funding

Moreover, TEN-T projects can benefit from the results of the Community Framework Programme on RTD. Can be transferred to the TEN-T policy development.

In order to give financial support to the implementation of the TEN-T guidelines, the Parliament and Council adopted Regulation No 680/2007/EC specifying general rules for the granting of Community aid in the field of trans-European networks (Regulation (EC) No 807/2004 of the European Parliament and of the Council of 21 April 2004 amending Council Regulation (EC) No 2236/95 laying down general rules for the granting of Community financial aid in the field of trans-European networks). These regulations increased the maximum level of Community support for specific projects, providing a greater incentive for project implementation, including the setting up Public-Private Partnerships. The new rules also allow multi-annual commitments, providing greater flexibility to promoters of TEN-T projects.

Submitting a proposal

The calls for proposals are published on the following web sites:

For transport: http://ec.europa.eu/transport/tenders/index_en.htm

For environment http://ec.europa.eu/environment/funding/intro_en.htm

EU direct funding in the Transport sector

TEN-T / Transport infrastructure



The TEN-T programme consists of hundreds of projects – defined as studies or works – whose ultimate purpose is to ensure the cohesion, interconnection and interoperability of the trans-European transport network, as well as access to it. TEN-T projects, which are located in every EU Member State, include all modes of transport:

- road
- rail
- maritime
- inland waterways
- air
- logistics
- co-modality
- innovation

30 Priority Projects (or Axes) and other horizontal priorities have also been established to concentrate on pan-European integration and development.

As a whole, TEN-T projects aim to:

- Establish and develop the key links and interconnections needed to eliminate existing bottlenecks to mobility
- Fill in missing sections and complete the main routes - especially their cross-border sections
- Cross natural barriers
- Improve interoperability on major routes

http://ec.europa.eu/transport/infrastructure/ten-t-funding-and-financing/funding_en.htm

Potential beneficiaries

TEN-T funding opportunities are open to all EU Member States or, with the agreement of the Member States concerned, international organisations, joint undertakings, or public/private undertakings or bodies. Funding in TEN-T grants can support studies or works which contribute to TEN-T programme objectives.

Funding

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Submitting a proposal

The calls for proposals are published on the following web sites:

For transport: http://ec.europa.eu/transport/tenders/index_en.htm

For environment http://ec.europa.eu/environment/funding/intro_en.htm

Marco Polo



The programme provides support for measures that reduce congestion, improve the environmental performance of the transport system and enhance intermodal transport.

The current Marco Polo II programme contains two new types of action:

- the motorways of the seas
- traffic avoidance measures which were not included in the first Marco Polo programme.



Marco Polo supported actions:

In all, 5 distinct types of action will be supported:

- ✚ The **Modal shift actions**: these aim to shift as much freight as economically meaningful under current market conditions from road to short sea shipping, rail and inland waterways. They may propose the start-up of new services or significantly enhance existing services.
- ✚ **Catalyst actions**: one of three types of actions supported through the original Marco Polo programme. The goal here is to change the way non-road freight transport is conducted in the EU. Support will be provided to innovative proposals aimed at overcoming structural market barriers in European freight transport.
- ✚ **Motorways of the sea actions**: these aim to shift freight from long road distances to a combination of short sea shipping and other modes of transport.
- ✚ **Traffic avoidance actions**: the objective is to integrate transport into production logistics. This should lead to a reduced freight transport demand by road with a direct impact on emissions. It is emphasised that actions of this type shall not adversely affect either output or the labour workforce
- ✚ **Common learning actions**: the objective here is to enhance knowledge in the freight logistics sector and foster advanced methods and procedures of cooperation in the freight market.

Further information is available on the following web site:

http://ec.europa.eu/transport/marcopolo/about/index_en.htm

Potential beneficiaries

Single undertakings as well as consortia may receive support. However, in all cases, there is a minimum requirement of having at least one EU partner involved. For applications

made by a single undertaking, the undertaking needs to be established in an EU member State and for consortia, at least one undertaking needs to be established in an EU Member State. Undertakings from "Close third countries" can never be lead partners, only associated partners. The project partners must be established commercial legal entities. They can be privately or publicly owned commercial undertakings. The commercial undertakings involved in a consortium can be linked or subsidiaries, so that undertaking A controls more than 50% of undertaking B.

As regards the participating countries there is between "participation" and "being eligible for funding" (the latter also often referred to as "full participation").

From day one of the programme undertakings from EU Member States and "close third countries", such as all Candidate States, EFTA Countries as well as others due to their Geographical proximity are eligible to participate in Marco Polo projects. However, only costs and modal shift/traffic avoidance arising on the territories of EU Member States or fully participating countries (i.e. countries which have concluded Special Agreements (e.g. Memorandum of Understanding) with the EU) are eligible for Marco Polo funding.

The practical consequence for calculating the lengths of the transport routes is that only route sections going through fully participating countries which are eligible for funding are to be used. This is important when calculating the tonne-kms figure (modal shift volume), but also to estimate the environmental benefit of the modal shift realised by the freight transport service proposed in the project.

Currently the following countries are fully participating in the Marco Polo programme: Liechtenstein, Iceland and Norway (i.e. all EFTA/EEA countries excluding Switzerland). Croatia signed a Memorandum of Understanding with the European Commission which enables Croatian undertakings to take part in the programme as of the Call for proposals 2009.

Commercial undertakings from Candidate States, which are scheduled to be joining the EU in the years to come, are welcome to participate in the Marco Polo programme. However, according to financial arrangements required for a full participation of undertakings from these countries, the conclusion of a Special Agreement between the EC and the respective country is needed. Nevertheless, the participation of undertakings from other Candidate States is possible without such a special agreement. However, project costs arising on the territory of these Candidate States are neither eligible for funding under Marco Polo, nor can the Environmental benefits or modal shift/traffic avoidance generated on their territory contribute to the project key figures.

Undertakings from third countries not fully participating in the Marco Polo II programme cannot be lead partners of a project; they therefore need to be part of a wider consortium, headed by an undertaking from an EU Member State or a fully participating country.

Funding

The community funding covers up to 35% of the total eligible costs for the first 4 actions and the 50% for the common learning actions

Submitting a proposal

The calls for proposals are published on the web site:

http://ec.europa.eu/transport/marcopolo/getting-funds/index_en.htm




Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

 Marco Polo Helpdesk

http://ec.europa.eu/transport/marcopolo/contacts/index_en.htm

 Motorways of the Sea Help desk

<http://www.mos-helpdesk.eu/>

Seventh Research Framework Programme (FP7) Theme Transport (including aeronautics)



The EU's Framework Programme for Research and Technological Development is the major tool to support the creation of the European Research Area, aiming at realizing a durable integration of European research systems and promoting scientific excellence and innovation as key factors of competitiveness and sustainable economic growth.

The FP7 gives priority to Research in the field of economic development.



FP7 Sub-programmes:

FP7 activities can be grouped into 4 categories:

- ✚ The **“cooperation”** programme supports cooperation and aims to consolidate industry-research partnership in a transnational dimension
- ✚ The **“ideas”** programme supports the frontier research, as it opens new opportunities for scientific and technological advance, and is pivotal in producing new knowledge leading to future applications
- ✚ The **“people”** programme supports the quantitative and qualitative strengthening of human resources in the research market
- ✚ The **“capacities”** programme provides the researchers with effective facilities and equipment to enhance the quality and competitiveness of European Research.

The FP7 supports specific transport projects predominately in the co-operation (collaborative research) programme. The central objective of transport research under FP7 is to develop safer, greener and smarter transport systems for Europe that will benefit citizens, respect the environment, and increase the competitiveness of European industries in the global market. While the European transport system has a crucial role in the transportation of people and goods and is essential to Europe's prosperity, ways must be found to mitigate the negative impacts and consequences of increased mobility in relation to the environment, energy usage, safety and security and public health.

Therefore emphasis is given to the following activities:

- Aeronautics and air transport;
- reduction of emissions, work on engines and alternative fuels;

- air traffic management, safety aspects of air transport;
- environmentally efficient aviation;
- Sustainable surface transport - rail, road and waterborne;
- development of clean and efficient engines and power trains;
- reducing the impact of transport on climate change;
- inter-modal regional and national transport;
- clean and safe vehicles;
- infrastructure construction and maintenance, integrative architectures

Further information is available at the Research & Innovation Participant Portal:

<http://ec.europa.eu/research/participants/portal/page/cooperation#tpt>

Potential beneficiaries

Participation in FP7 is open to a wide range of organisations and individuals:

- research groups at universities or research institutes
- companies intending to innovate
- small or medium-sized enterprises (SMEs)
- SME associations or groupings
- public or governmental administration (local, regional or national)
- early-stage researchers (postgraduate students)
- experienced researchers
- institutions running research infrastructures of transnational interest
- organisations and researchers from third countries
- international organizations
- civil society organizations

While FP7 participants can in principle be based anywhere, there are different categories of country which may have varying eligibility for different specific and work programmes:

- EU Member States;
- The Associated countries – with science and technology cooperation agreements that involved contributing to the framework programme budget;
- Candidate countries – currently recognised as candidates for future accession;
- Third countries - the participation of organisations or individuals established in countries that are not Member States, candidates or associated should also be justified in terms of the enhanced contribution to the objectives of FP7.

Funding

The basic principle of funding in FP7 is co-financing. This means that, in general, the Commission does not “purchase” research services by placing contracts and paying a price. Rather, it gives grants to projects, thus contributing a certain percentage to the overall costs. The maximum reimbursement rates to the costs of a project depend on the funding scheme, the legal status of the participants and the type of activity. The standard reimbursement rate for research and technological development activities is 50%. Certain legal entities can receive up to 75% (non-profit public bodies, SMEs, research organisations, higher education establishments). For demonstration activities, the reimbursement rate may reach 50%. For other activities (consortium management, networking, training, coordination, dissemination etc.), the reimbursement can be up to

100% of the eligible costs. The 100% rate applies also to frontier research actions under the European Research Council.

Submitting a proposal

The calls for proposals are published on the Research & Innovation Participant Portal website:

<http://ec.europa.eu/research/participants/portal/page/cooperation#>



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

- ✚ The 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. It provides not only information but also qualified services on:
 - internationalisation;
 - finding partner organisations abroad;
 - technology transfer, etc.

http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

- ✚ Research and Innovation Participant Portal

<http://ec.europa.eu/research/participants/portal/page/home>

- ✚ Programme Help desk

<http://ec.europa.eu/research/participants/portal/page/contactus>

EU direct funding in the Health sector

Health Programme



The Health programme aims at achieving the following objectives:

- improve citizens' health security;
- health promotion to improve prosperity and solidarity;
- generate and disseminate information and knowledge on health

This is mainly done through financing four types of different actions:

- projects
- conferences
- joint actions
- operation grants.

Those actions intend to have a special European dimension, meaning that a minimum of various partners of different European Countries have to be involved in the project plan.

<http://ec.europa.eu/eahc/health/index.html>

Potential beneficiaries

Non-governmental organisations, public sector bodies, public administrations, universities, higher education establishments, public and private research institutions and commercial firms can submit a project proposal as the main partner or associated partners.

To receive EU financial support for a project, i.e. to be a main beneficiary or associated partner, the organisation needs to be legally established in:

- one of the 27 EU member states
- an EFTA country party to European Economic Area (Iceland, Liechtenstein or Norway)
- Croatia, Former Yugoslav Republic of Macedonia, Albania, Serbia and Montenegro under their own Stabilisation and Association Agreements (SAA).

Organisations from other countries can only participate as subcontractors of the tender.

Funding

Normally up to 60 percent of the eligible costs of the project can be covered by the EU contribution. Given the complementary and motivational nature of EU grants, at least 40 percent of project costs must be funded from partners' sources such as staff costs pertaining to national officials and other external resources. In cases of exceptional utility, projects can receive up to 80 percent co-financing of eligible costs.

Submitting a proposal



The calls for proposals are published on the website

http://ec.europa.eu/eahc/health/calls_for_health_programme.html



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

-  National Focal Points of the Member States and participating countries
http://ec.europa.eu/eahc/documents/list_NFPs.pdf
-  EU Health Portal
http://ec.europa.eu/health-eu/index_en.htm

Consumer Programme



The Consumer Programme 2007-2013 constitutes the financial framework of Consumer policy. Every year, the Commission establishes its annual work programme setting the various budget items for consumer policy to be spent on a given year.

The Consumer Programme 2007-2013 aims primarily to ensure:

- a high level of consumer protection, notably through improved information on consumer-related data, better consultation and better representation of consumers' interests
- the effective application of consumer protection rules, notably through cooperation between authorities and organisations responsible for the implementation of consumer legislation, information, education and dispute resolution.

The **first objective** is supported by actions relating to:

- collection, exchange, and analysis of data and information on the development of consumer policy and for the integration of consumer interests in other Community policies, as well as the safety of consumer goods and services;
- support for scientific advice and risk evaluation, including the tasks of the independent scientific committees established by the Commission and preparation of legislative and other regulatory initiatives and promotion of co-regulatory and self regulatory initiatives;
- financial contributions to the functioning of European consumer organisations;
- capacity building for regional, national and European consumer organisations.

The **second objective** should be achieved through:

- the improvement of the effective application of Community consumer protection legislation in line with EU better regulation policy;
- legal and technical expertise, including studies, for the monitoring and assessment of the transposition, implementation and enforcement of consumer protection legislation by Member States including the development and maintenance of easily and publicly accessible databases covering the implementation of Community consumer protection
- legislation;
- actions on information, advice and redress;
- actions on consumer education.

http://ec.europa.eu/consumers/strategy/programmes_en.htm

Potential beneficiaries

The following organisations are eligible for funding:

- Public bodies

- Non-profit organisations
- Universities and equivalent institutions
- Specialised ONG
- European consumer organisations
- Consumer protection officials

From the following countries:

- Member States
- EFTA/EEA countries
- Third countries covered by the European Neighbourhood Policy
- Western Balkan countries
- Acceding and Candidate Countries

Funding

- 50% of the cost of actions jointly financed by the Community and one or more Member State
- 85% of the costs of actions intended to develop master degree courses in consumer issues
- 50% of expenditure for the functioning of European consumer organisations
- 95% of expenditure for the functioning of European consumer organizations representing consumer interests in the development of standards for products and services at European Union level

Submitting a proposal

The calls for proposals are published on the website

http://ec.europa.eu/eahc/consumers/calls_for_consumer_programme.html



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:



Consumer associations & networks

http://ec.europa.eu/consumers/empowerment/cons_networks_en.htm

Seventh Research Framework Programme (FP7) Theme Health



The EU's Framework Programme for Research and Technological Development is the major tool to support the creation of the European Research Area, aiming at realizing a durable integration of European research systems and promoting scientific excellence and innovation as key factors of competitiveness and sustainable economic growth.

The FP7 gives priority to Research in the field of economic development.



FP7 Sub-programmes:

FP7 activities can be grouped into 4 categories:

- ✚ The **“cooperation”** programme supports cooperation and aims to consolidate industry-research partnership in a transnational dimension
- ✚ The **“ideas”** programme supports the frontier research, as it opens new opportunities for scientific and technological advance, and is pivotal in producing new knowledge leading to future applications
- ✚ The **“people”** programme supports the quantitative and qualitative strengthening of human resources in the research market
- ✚ The **“capacities”** programme provides the researchers with effective facilities and equipment to enhance the quality and competitiveness of European Research.

The objective of health research under FP7 is to improve the health of European citizens and boost the competitiveness of health-related industries and businesses, as well as address global health issues. The Health theme is a major theme of the Cooperation programme. The specific programme on 'Cooperation' supports all types of research activities carried out by different research bodies in trans-national cooperation and aims to gain or consolidate leadership in key scientific and technology areas. The Cooperation programme is sub-divided into ten distinct themes, the first of which is Health.

Within the Health Programme priority is given to the following activities:

- *biotechnology, generic tools and technologies for human health* - producing knowledge that will be applied in the area of health and medicine;
- *translating research for human health* - making sure that basic discoveries have practical benefits and improve the quality of life;

- *optimising the delivery of health care to European citizens* - ensuring that the results of biomedical research will ultimately reach the citizens;
- *while underlying child health*, health of the ageing population and gender-related health as overarching issues of the Health theme. As translation of basic discoveries into clinical applications is one of the main objectives of this theme, clinical research is expected to be a major tool used in the funded projects.

Inclusion of 'high-tech' SMEs in most projects throughout the work programme is a priority of the Health theme. International cooperation is an important aspect of FP7 and is an integral part of Theme 1 on Health Research. Special attention is given to communicating research outcomes and engaging in dialogue with civil society, in particular with patient groups, at the earliest possible stage, of new developments arising from biomedical and genetics research.

Potential beneficiaries

Participation in FP7 is open to a wide range of organisations and individuals:

- research groups at universities or research institutes
- companies intending to innovate
- small or medium-sized enterprises (SMEs)
- SME associations or groupings
- public or governmental administration (local, regional or national)
- early-stage researchers (postgraduate students)
- experienced researchers
- institutions running research infrastructures of transnational interest
- organisations and researchers from third countries
- international organizations
- civil society organizations.

While FP7 participants can in principle be based anywhere, there are different categories of country which may have varying eligibility for different specific and work programmes:

- EU Member States;
- The Associated countries – with science and technology cooperation agreements that involved contributing to the framework programme budget;
- Candidate countries – currently recognised as candidates for future accession;
- Third countries - the participation of organisations or individuals established in countries that are not Member States, candidates or associated should also be justified in terms of the enhanced contribution to the objectives of FP7.

Further information is available on the Research & Innovation Participant Portal

<http://ec.europa.eu/research/participants/portal/page/cooperation&state=closed#health>

Funding

The basic principle of funding in FP7 is co-financing. This means that, in general, the Commission does not "purchase" research services by placing contracts and paying a price. Rather, it gives grants to projects, thus contributing a certain percentage to the overall costs. The maximum reimbursement rates to the costs of a project depend on the funding scheme, the legal status of the participants and the type of activity. The standard reimbursement rate for research and technological development activities is 50%. Certain

legal entities can receive up to 75% (non-profit public bodies, SMEs, research organisations, higher education establishments). For demonstration activities, the reimbursement rate may reach 50%. For other activities (consortium management, networking, training, coordination, dissemination etc.), the reimbursement can be up to 100% of the eligible costs. The 100% rate applies also to frontier research actions under the European Research Council.

Submitting a proposal

The calls for proposals are published on the Research & Innovation Participant Portal website:

<http://ec.europa.eu/research/participants/portal/page/cooperation&state=closed#health>



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:

- ✚ The 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. It provides not only information but also qualified services on:
 - internationalisation;
 - finding partner organisations abroad;
 - technology transfer, etc.

http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

Research and Innovation Participant Portal

<http://ec.europa.eu/research/participants/portal/page/home>

- ✚ Programme Help desk

<http://ec.europa.eu/research/participants/portal/page/contactus>

External assistance programmes



The external assistance programmes represent the legal framework of the EU's external assistance to developing countries. The EU's external policies, including EU development co-operation, are governed by a multitude of Council and European Parliament regulations and decisions. All Council and European Parliament regulations are based on proposals made by the European Commission (usually as "Commission Communications"). These regulations, referred to as 'legal instruments', provide the legal basis for all EU programs which provide external assistance.

There are two types of EU legal instrument:

- geographical instruments that apply to a specific region or country,
- thematic or 'horizontal' instruments that concern a specific theme or sector of development co-operation and apply to all external relations.

In August 2006 the legal framework of EU external assistance was condensed and considerably restructured. Over time, more than 30 geographical and thematic instruments had been created on an ad hoc basis; these were replaced by nine comprehensive instruments, eight of them new.



The 9 instruments:

Four instruments to support specific policies with a geographical focus:

- ✚ The Development Co-operation Instrument (DCI)
- ✚ The Instrument for Pre-accession Assistance (IPA)
- ✚ The European Neighborhood and Partnership Instrument (ENPI)
- ✚ The Instrument for Co-operation with Industrialized Countries (ICI)

Five instruments with horizontal/thematic focus, which deal with major areas of EU external assistance on a global basis:

- ✚ The European Instrument for Democracy and Human Rights (EIDHR)
- ✚ The Instrument for Stability (IFS)
- ✚ The Instrument for Humanitarian aid
- ✚ The Macro-Financial Assistance Instrument (MFA)
- ✚ The Instrument for Nuclear Safety Co-operation (INSC) .

The new legal structure continues five previously-existing "global" development programs. They are now managed within the framework of the DCI. These five programs cover: non-state actors; food security; human and social development; environment; and asylum and migration.

Instrument for Pre-Accession Assistance (IPA)

IPA aims at providing targeted assistance to countries which are candidates and potential candidates for membership to the EU. Its main objectives are to help the country to face the challenges of European integration, to implement the reforms needed to fulfil EU requirements and progress in the Stabilization and Association Process and to lay the foundations for fulfilling the Copenhagen criteria for EU Membership.

The main objectives of the Instrument for Pre-Accession Assistance (IPA) are:

- Strengthening democratic institutions
- Promotion and protection of human rights and fundamental freedoms and enhanced respect for minority rights
- Development of civil society
- Regional and cross-border cooperation

In accordance with its objectives, IPA comprises five components:

1. Assistance for transition and institution building;
2. Cross-border cooperation (with EU Member States and other countries eligible for IPA);
3. Regional development (transport, environment, regional and economic development);
4. Human resources (strengthening human capital and combating exclusion);
5. Rural development.

Further information is available on the following web site:

http://ec.europa.eu/enlargement/instruments/overview/index_en.htm

Potential beneficiaries

The IPA beneficiary countries are divided into two categories:

- EU candidate countries (Croatia, Turkey and the former Yugoslav Republic of Macedonia, Serbia, Iceland and Montenegro) are eligible for all five components of IPA. The last three of which aim at preparing them to manage EU funds after accession.
- Potential Candidate Countries – Albania, Bosnia and Herzegovina and Kosovo⁴ – are eligible for the first two components of IPA, which concentrate on institution building, in particular to strengthen the Copenhagen political criteria, enhance administrative and judicial capacity and encourage some alignment with the *acquis communautaire*.

Types of assistance

Types of assistance under IPA will include finance investments, procurement contracts, grants, including interest rate subsidies, special loans, loan guarantees and financial assistance, budgetary support, and other specific forms of budgetary aid, and the contribution to the capital of international financial institutions or the regional development banks. Any natural or legal person based in the eligible countries (under the eligible component) will be able to apply for funding under IPA.

⁴ Under UNSCR 1244/1999

Submitting a project proposal

Tenders can be viewed on the following web site:

http://ec.europa.eu/enlargement/tenders/tenders/index_en.htm

Grants can be viewed at the following web site:

http://ec.europa.eu/enlargement/tenders/grants/index_en.htm



Where to get some help:

Additional information on how to apply for funding can be requested to the following Information Points:



National IPA Coordinators:

<http://www.wbif.eu/National+IPA+Coordinators>

European Neighbourhood & Partnership Instrument (ENPI)

The European Neighbourhood and Partnership Instrument (ENPI) support the European Neighbourhood Policy (ENP). Operational since 1 January 2007, it represents the strategic continuity with enlarged objectives of the former cooperation programmes TACIS (for the Eastern European countries) and MEDA (for the Mediterranean countries).

The ENPI has the following strategic objectives:

- supporting democratic transition and promoting human rights;
- the transition towards the market economy;
- the promotion of sustainable development;
- policies of common interests (antiterrorism, the proliferation of weapons of mass destruction, conflict resolution, the rule of international law, etc.).

Within this framework, the Commission and partner countries established four principal axes of co-operation based on:

- the implementation of a strengthened dialogue on priority multisector reforms;
- the approximation of legislation;
- institutional support;
- the objectives of the UN's Millennium Development Goals.

The ENPI finances actions in the various sectors, including:

- more equitable development;
- regulatory trade and reforms;
- the liberalisation of certain sectors;
- justice and home affairs;
- energy;
- transport;
- information society;
- environmental sustainability;

- research and innovation.

In addition, it can provide support to electoral observation and post-crisis missions and to disaster preparedness.

ENPI has replaced the previous TACIS and MEDA programme and presents the following innovative features:

- cross-border co-operation, under which the ENPI finances joint programmes, bringing together regions of Member States and partner countries sharing a common border,
- a Governance Facility which provides resources to creative partners which have shown the will to carry forward essential reforms related to improving good governance,
- the Twinning instrument, bringing together public sector expertise from EU Member States and beneficiary countries with the aim of enhancing co-operative activities,
- TAIEX (Technical Assistance and Information Exchange), jointly managed by EuropeAid and the European Commission's Enlargement Directorate-General, aiming to help foster political and economic co-operation in a number of areas, primarily regarding the approximation, application and enforcement of EU legislation.

http://ec.europa.eu/europeaid/how/finance/enpi_en.htm

Potential beneficiaries

The entities which are eligible for funding are:

- decentralised institutions and entities in partner countries and regions,
- mixed organisations,
- international and regional organisations,
- international financial institutions,
- European institutions and agencies to a certain extent,
- non-governmental players.

The following countries are involved:

- *MEDA countries*: Algeria, Egypt, Gaza/West Bank (Palestine Authority), Israel, Jordan, Lebanon, Morocco, Syria,* Tunisia, Libya,* Turkey
- *NIS countries*: Ukraine, Belarus*, Kazakhstan, Uzbekistan, Turkmenistan, Tajikistan, Kyrgyzstan, Georgia, Azerbaijan, Armenia

** The full benefits of the European Neighbourhood Policy cannot currently be extended to Belarus, Libya or Syria. Belarus and the EU will be able to develop contractual relations when Belarus has established a democratic government, following free and fair elections. Libya would need to first become part of the Barcelona Process before having an Association Agreement and eventually an ENP Action Plan. For Syria, the Association Agreement would have to be ratified before an ENP Action Plan could be considered.*

Types of assistance

A specific and innovative feature of the European Neighbourhood Partnership Instrument (ENPI) is its Cross-Border Cooperation (CBC) component. Under this component, the ENPI will finance "joint programmes" bringing together regions of Member States and partner countries sharing a common border. This component will be co-financed by the European Regional Development Fund (ERDF). An estimated amount of EUR 233 million per year (in

2004 prices) will be allocated from ERDF to CBC between the Member States and neighbour countries covered by the ENPI and by the IPA.

Types of actions under ENPI-CBC should center on the following four axes:

1. Promoting sustainable economic and social development in border areas
2. Working together to address common challenges
3. Ensuring efficient and secure borders
4. People-to-people cooperation

Submitting a project proposal

In case of call for proposals and tenders each of them will specify in related documents the eligibility criteria for that specific call or tender.

http://ec.europa.eu/europeaid/work/funding/index_en.htm

Development Cooperation Instrument (DCI)

DCI was launched in January 2007, and replaces a wide range of geographic and thematic instruments which was created over time. In this way, it increases the effectiveness of the EU development cooperation.

Development Cooperation Instrument is financing the European Community development cooperation policy, which aims to reduce poverty, strive for sustainable economic and social development as well as a gradual integration of development countries into the world economy. The instrument is implemented through geographic and thematic programmes.

- The ***geographic programmes*** support the development of and reinforce the cooperation with countries and regions in Latin America, the Middle East and South Africa.
- The ***thematic programmes*** complement the Geographical Programmes and supports projects that are not geographically specific mainly in developing countries.

The overall objective is to eliminate poverty in partner countries and regions and help them to reach the Millennium Development Goals. This should be achieved through cooperation aiming to:

- Support democracy, the rule of law, human rights and fundamental freedoms, good governance, gender equality and related instruments of international law
- Foster the sustainable development by all aspects; political, economic, social and environmental
- Promote partner countries smooth and gradual integration into world economy
- Help develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development
- Reinforce the relationship between the Community and partner countries and regions

The DCI covers three components:

1) geographic programmes supporting cooperation with 47 developing countries in Latin America, Asia and Central Asia, the Gulf region (Iran, Iraq and Yemen) and South Africa.

These programmes support actions within the following areas of cooperation:

- poverty eradication and the achievement of the Millennium Development Goals;
- essential needs of the population, in particular primary education and health;
- social cohesion and employment;
- governance, democracy, human rights and support for institutional reforms;
- trade and regional integration;
- sustainable development through environmental protection and sustainable management of natural resources;
- sustainable integrated water resource management and fostering greater use of sustainable energy technologies;
- developing infrastructure and an increased use of information and communication technologies;
- sustainable rural development and ensuring food security;
- assistance in post-crisis situations and fragile States.

2) thematic programmes benefiting all developing countries (including those covered by the ENPI and the EDF). These programmes support actions in the following fields:

- investing in people;
- environment and sustainable management of natural resources including energy;
- non-state actors and local authorities in development;
- food security;
- migration and asylum

3) programme of accompanying measures for the 18 African, Caribbean and Pacific (ACP) Sugar Protocol countries, in order to help them adjust following the reform of the EU sugar regime.

Further information is available at the following web site:

http://ec.europa.eu/europeaid/how/finance/dci_en.htm

Potential beneficiaries

Partner countries and regions, and their institutions, decentralised bodies in the partner countries (municipalities, provinces, departments and regions), joint bodies set up by the partner countries and regions with the Community, Non State Actors, international organisations, EU agencies. The countries involved are: 18 countries in Latin America, 29 in Asia, 5 in Central Asia, 5 in the Middle East and South Africa

Types of assistance

Of the total budget of 16.897 million euro, the Geographical Programmes have been allocated 10.057 million euro, the Thematic programmes 5.596 million euro and the support to the Sugar Protocol countries amounts to 1.244 million euro.

Submitting a project proposal

In case of call for proposals and tenders each of them will specify in related documents the eligibility criteria for that specific call or tender.

http://ec.europa.eu/europeaid/work/funding/index_en.htm

Other opportunities

European Networks

Polis

Polis is a network of European cities and regions working together to develop innovative technologies and policies for local transport. Since 1989, European local and regional authorities have been working together within Polis to promote sustainable mobility through the deployment of innovative transport solutions.

Its aim is to improve local transport through integrated strategies that address the economic, social and environmental dimensions of transport. To this end, Polis supports the exchange of experiences and the transfer of knowledge between European local and regional authorities. It also facilitates the dialogue between local and regional authorities and other actors of the sector such as industry, research centres and universities, and NGOs.

Polis fosters cooperation and partnerships across Europe with the aim of making research and innovation in transport accessible to cities and regions. The network and its secretariat actively support the participation of Polis members in European projects. Polis participation in European projects allows them to create a framework which facilitates dialogue and exchange between local authorities and the transport research community. In Polis, decision makers are provided with the necessary information and tools for making sustainable mobility a reality. Within the Political Group of Polis, they formulate recommendations to the European institutions.

The activities of Polis are organised around the four thematic pillars of a sustainable urban and regional transport policy:

- Environment and Health in Transport
- Mobility and Traffic Efficiency
- Transport Safety and Security
- Social and Economic Aspects of Transport

Polis members meet regularly in working groups organised in the framework of these pillars. The network is currently chaired by Dresden and has a permanent secretariat located in Brussels.

<http://www.polisnetwork.eu/about/about-polis>

European Union Network for the Implementation and Enforcement of Environmental Law (IMPEL)

IMPEL, the European Union Network for the Implementation and Enforcement of Environmental Law, is an international association of environmental authorities in Europe. The network is committed to contribute to a more effective application of EU environmental law by capacity building, awareness raising, sharing good practices,

providing guidance and tools, enforcement cooperation and giving feed-back to lawmakers and regulators on the practicability and enforceability of environmental legislation.

<http://impel.eu/>

EIONET

Eionet is a partnership network of the European Environment Agency (EEA) and its member and cooperating countries involving approximately 1000 experts and more than 350 national institutions. The network supports the collection and organisation of data and the development and dissemination of information concerning Europe's environment

<http://www.eionet.europa.eu/>

European Network of the Heads of Environment Protection Agencies

The EPA Network is an informal grouping bringing together the heads and directors of environment protection agencies and similar bodies across Europe. The network exchanges views and experiences on issues of common interest to organisations involved in the practical day-to-day implementation of environmental policy.

<http://epanet.ew.eea.europa.eu/>

Other call for tenders

Road safety

In the web page of the DG Mobility and Transport of the European Commission are published also call for proposals and grants which do not belong to a specific community programme, such as grants devoted to Road safety.

The call for proposals can be consulted at the following web site:

http://ec.europa.eu/transport/grants/2011_09_30_en.htm

Where to get information on the European Union direct funding

EU Information Points:

- ✚ Directorates General of the European Commission
http://ec.europa.eu/about/ds_en.htm
- ✚ Official EU information Points - "Europe Direct"
http://europa.eu/eurodirect/index_en.htm
- ✚ Enterprise Europe Network
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm
- ✚ European Documentation Centres
<http://www.cdeita.it/>
- ✚ Research and Innovation Participant Portal
<http://ec.europa.eu/research/participants/portal/page/home>
- ✚ The European Union representation offices in the 27 Member States
http://ec.europa.eu/represent_en.htm
- ✚ The EU Delegation offices in "Third Countries"
http://www.eeas.europa.eu/delegations/web_en.htm

Further Reading

Some useful publications:

- ✚ New funds, better rules - Overview of new financial rules and funding opportunities
http://ec.europa.eu/budget/library/biblio/publications/funds_rules/pack_rules_funds_en.pdf
- ✚ Doing business with the European Commission - Tips for potential contractors
http://ec.europa.eu/budget/library/biblio/publications/business/doing_business_en.pdf
- ✚ FP7 in Brief - How to get involved in the EU 7th Framework Programme for Research
http://ec.europa.eu/research/fp7/pdf/fp7-inbrief_en.pdf
- ✚ Practical Guide to EU funding opportunities for Research and Innovation
http://cordis.europa.eu/eu-funding-guide/home_en.html

Transport, Environment and Health

What's next? The proposals for EU funding 2014-2020



Thinking about the future

The Europe 2020 strategy

The European Commission has launched, on 3 March 2010, the Europe 2020 Strategy to get out of the crisis, to revive the economy of the European Union and prepare EU economy for the next decade. The Commission identifies three key drivers for growth, to be implemented through concrete actions at EU and national levels:

- *smart growth* (fostering knowledge, innovation, education and digital society);
- *sustainable growth* (making our production more resource efficient while boosting our competitiveness);
- *inclusive growth* (raising participation in the labour market, the acquisition of skills and the fight against poverty).

This battle for growth and jobs requires ownership at top political level and mobilisation from all actors across Europe.

The strategy follows the Lisbon Strategy for the period 2000–2010 and has identified **five headline targets** the European Union should take to boost growth and employment. These are:

- to raise the employment rate of the population aged 20–64 from the current 69% to at least 75%;
- to achieve the target of investing 3% of GDP in R&D in particular by improving the conditions for R&D investment by the private sector, and develop a new indicator to track innovation;
- **to reduce greenhouse gas emissions by at least 20%** compared to 1990 levels or by 30% if the conditions are right, increase the share of renewable energy in final energy consumption to 20%, and achieve a 20% increase in energy efficiency;
- to reduce the share of early school leavers to 10% from the current 15% and increase the share of the population aged 30–34 having completed tertiary from 31% to at least 40%;
- to reduce the number of Europeans living below national poverty lines by 25%, lifting 20 million people out of poverty.

The Commission has proposed a Europe 2020 agenda consisting of a series of flagship initiatives whose implementation is a shared priority, and requires actions at all levels:

- EU-level organisations
- Member States
- local and regional authorities.



The seven flagship initiatives

EU Commission has proposed a total of 7 flagship initiatives:

- ✚ ***Innovation Union***: to improve framework conditions and access to finance for research and innovation so as to strengthen the innovation chain and boost levels of investment throughout the Union.
- ✚ ***Youth on the move***: to enhance the performance of education systems and to reinforce the international attractiveness of Europe's higher education.
- ✚ ***A digital agenda for Europe***: to speed up the roll-out of high-speed internet and reap the benefits of a digital single market for households and firms.
- ✚ ***Resource efficient Europe***: to help decouple economic growth from the use of resources, by decarbonising the economy, increasing the use of renewable sources, modernizing the transport sector and promoting energy efficiency.
- ✚ ***An industrial policy for the globalization era***: to improve the business environment, especially for SMEs, and to support the development of a strong and sustainable industrial base able to compete globally.
- ✚ ***An agenda for new skills and jobs***: to modernize labor markets by facilitating labor mobility and the development of skills throughout the lifecycle with a view to increasing labor participation and better matching labor supply and demand.
- ✚ ***European platform against poverty***: to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society.

More information about Europe 2020 can be downloaded on the following web site:

http://ec.europa.eu/europe2020/index_en.htm

The indirect funding 2014-2020

EU cohesion policy has been a force for change over the last ten years, making a genuine contribution to convergence and growth in the EU and directly creating over one million jobs, investing in training to improve the employability of over ten million people, co-financing the construction of over 2.000km of motorway and 4.00km of railway and setting up at least 800.000 Small and Medium-Sized Enterprises (SMEs). To continue this work in the future and strengthen the focus on European economic priorities the European Commission has adopted a legislative package for cohesion policy for the period from 2014 until 2020. It is designed to boost growth and jobs across Europe by targeting EU investment on Europe's Growth and Jobs Agenda ("Europe 2020"). The focus on fewer investment priorities in line with these objectives will be at the heart of the new Partnership Contracts, which Member States will agree with the European Commission. They will set clear targets and set aside a financial performance reserve to reward regions who do best in reaching their goals. To ensure that the impact on growth and jobs of EU investments is not undermined by unsound macro-economic policies or by weak administrative capacity Commission can ask to review programmes or suspend the funding if remedial action is not taken.

The impact of the funds will also be strengthened by simplifying and harmonizing the rules of different funds, including rural development and maritime and fisheries. One set of rules for five different funds. And a more integrated approach will make sure the various funds serve coherent goals and strengthen each other's impact.

General provisions applicable to the ERDF, ESF and the Cohesion Fund

Every European region may benefit from the support of ERDF and ESF. However a distinction between less developed, transition and more developed regions will exist in order to ensure concentration of the Funds according to the level of Gross Domestic Product (GDP).

- *Less developed regions:* Supporting the less developed regions will remain an important priority for cohesion policy. The catching-up process of less developed regions will require long-term sustained efforts. This category concerns those regions whose GDP per capita is less than 75 % of the average GDP of the EU-27.
- *Transition regions:* This new category of regions will be introduced to replace the current phasing-in and phasing-out system. This category will include all regions with a GDP per capita between 75 % and 90 % of the EU-27 average.
- *More developed regions:* While interventions in the less developed regions will remain the priority for cohesion policy, there are important challenges that concern all Member States, such as global competition in the knowledge-based economy and the shift towards the low carbon economy. This category concerns those regions whose GDP per capita is above 90 % of the average GDP of the EU-27.

In addition, a 'safety net' is created for all regions that were eligible under the convergence objective in the 2007-2013 period, but whose GDP per capita is above 75 % of the GDP average of the EU-27. Within the transition or more developed region categories they shall receive an allocation under the Structural Funds equal to at least two-thirds of their 2007-2013 allocation.

Minimum shares for the ESF will be established for each category of region (25 % for less developed regions; 40 % for transition regions; and 52 % for more developed regions) resulting in a minimum overall share for the ESF of 25 % of the budget allocated to cohesion policy, i.e. EUR 84 billion.

The Cohesion Fund will continue to support Member States with Gross National Income (GNI) per capita of less than 90 % of the EU-27 average in making investments in Trans-European transport (TEN-T) networks and the environment. Part of the Cohesion Fund allocation (EUR 10 billion) will be ring-fenced to finance core transport networks under the new [Connecting Europe Facility](#).

Experience with the current financial framework shows that many Member States have difficulties in absorbing large volumes of EU funds over a limited period of time. Furthermore, the fiscal situation in some Member States has made it more difficult to release funds to provide national co-financing. In order to ease the absorption of funding, the Commission is proposing a number of steps:

- to fix at 2.5 % of GDP the capping rates for cohesion allocations;
- capping co-financing rates at the level of each priority axis within the operational programmes at 75-85 % in less developed regions and outermost regions; 75 % for European Territorial Cooperation programmes; 60 % in transition regions; and 50 % in more developed regions;
- to include certain conditions in the Partnership Contracts regarding the improvement of administrative capacity.

The European Regional Development Fund (ERDF)

ERDF aims to strengthen economic, social and territorial cohesion in the European Union by correcting imbalances between regions. The ERDF supports regional and local development to contribute to all thematic objectives, by setting out detailed priorities to increase focus on:

- research and development, and innovation;
- improving access to and quality of information and communication technologies;
- climate change and moves towards a low-carbon economy;
- business support to SMEs;
- services of general economic interest;
- telecommunication, energy, and transport infrastructures;
- enhancing institutional capacity and effective public administration;
- health, education, and social infrastructures;
- sustainable urban development.

To ensure that EU investments are concentrated on those priorities, minimum allocations are set for a number of priority areas. For example, in more developed and transition regions, at least 80 % of ERDF resources at national level should be allocated to energy efficiency and renewables, innovation and SME support, of which at least 20 % should be allocated to energy efficiency and renewables. Less developed regions will have a broader range of investment priorities to choose from, reflecting their wider development needs. But they will have to devote at least 50 % of ERDF resources to energy efficiency and renewables, innovation and SME support.

The proposed regulation provides for an increased focus on sustainable urban development. This should be achieved through the earmarking of a minimum of 5 % of

ERDF resources for sustainable urban development, the establishment of an urban development platform to promote capacity building and exchanges of experience, and the adoption of a list of cities where integrated actions for sustainable urban development will be implemented.

The proposal also includes support for innovative actions in the field of sustainable urban development subject to a ceiling of 0.2 % of the annual funding.

Particular attention will be paid to areas with specific natural or demographic features, with a specific additional allocation for the outermost and sparsely populated regions. At least 50 % of this allocation will need to be assigned to actions contributing to the diversification and modernisation of the economies of the outermost regions, with a particular focus on research and innovation, information and communication technologies, and SME competitiveness.

The European Social Fund (ESF)

While contributing to economic, social and territorial cohesion, the European Social Fund (ESF) is the European Union's main financial instrument for investing in people. It increases the employment opportunities of European citizens, promotes better education, and improves the situation of the most vulnerable people at risk of poverty.

The regulation proposes to target the ESF on four thematic objectives throughout the Union:

- promoting employment and supporting labour mobility;
- promoting social inclusion and combating poverty;
- investing in education, skills and lifelong learning;
- enhancing institutional capacity and an efficient public administration.

However, the ESF should also contribute to other thematic objectives such as:

- supporting the shift towards a low carbon, climate-resilient and resource-efficient economy;
- enhancing the use of information and communication technologies;
- strengthening research, technological development and innovation;
- enhancing the competitiveness of small and medium-sized enterprises (SMEs).

In line with the EU's commitment to inclusive growth, at least 20 % of the ESF should be allocated to promoting social inclusion and combating poverty. In addition, programmes should concentrate funding on a limited number of 'investment priorities' that set out the details of each thematic objective.

The proposal contains specific provisions to strengthen partnerships and to encourage the active participation of social partners and non-governmental organisations (NGOs) in ESF investments. It calls for an appropriate amount of ESF resources to be allocated to capacity building actions for social partners and NGOs in less developed regions.

Social innovation and transnational cooperation activities are encouraged through an increased co-financing rate for dedicated priority axes; through specific programming and monitoring arrangements; and through a stronger role for the Commission in the exchange and dissemination of good practice and joint actions across the Union.

With a view to improving the effectiveness of ESF interventions, specific provisions are foreseen to ensure concentration of resources. In addition, common indicators are established to allow closer monitoring and to facilitate assessment of the impact of ESF investment at EU level.

To facilitate the use of ESF, in particular by small operators, the draft regulation proposes more simplified cost options. In addition, it is proposed that for small operations, Member States will be obliged to use standard scales of unit costs or lump sums. This could ease the administrative burden for up to 50 % of projects.

The Cohesion Fund

The Cohesion Fund helps Member States with a GNI per inhabitant of less than 90% of the EU-27 average to invest in TEN-T transport networks and the environment.

In the field of environment, the Cohesion Fund will support investment in climate change adaptation and risk prevention as well as investment in the water and waste sectors, and the urban environment. In line with the Commission's proposals on the Multi-Annual Financial Framework, investment in energy would also be eligible for support, provided it has positive environmental benefits. Investment in energy efficiency and renewable energy are therefore also supported. In the field of transport, in addition to the TEN-T network, the Cohesion Fund will contribute to investments in low-carbon transport systems and urban transport.

European Territorial Cooperation

European Territorial Cooperation is a goal of cohesion policy and provides a framework for the exchanges of experience between national, regional and local actors from different Member States, as well as joint action to find common solutions to shared problems. This is all the more important given that the challenges faced by Member States and regions increasingly cut across national/regional boundaries and require joint, cooperative action at the appropriate territorial level. European Territorial Cooperation can thus also provide an important contribution to fostering the new Lisbon Treaty objective of territorial cohesion.

A separate regulation is proposed for European Territorial Cooperation to take better account of the multicountry context of the programmes and make more specific provisions for cooperation programmes and operations, as has been requested by a large number of stakeholders. The proposal thus makes references to third country participation to better reflect the reality of cooperation. It also contains more systematic references to the role that European Groupings of Territorial Cooperation (EGTC) can play in a cooperation context.

The proposal sets out the financial resources available for each strand and the criteria for their allocation to Member States. They will be allocated as follows:

- 73.24 % for cross-border cooperation;
- 20.78 % for transnational cooperation;
- 5.98 % for interregional cooperation.




This includes the continuation of the mechanism for the transfer of resources for cooperation activities at the external borders of the Union, to be supported under the European Neighbourhood and Partnership Instrument (ENPI) and the instrument for Pre-Accession Assistance. Collaborations on programmes under the European Territorial Cooperation goal and programmes financed under external instruments shall be promoted. Provisions on thematic concentration and investment priorities improve the strategic focus of programmes. Programmes can choose priorities from a thematic menu with corresponding investment priorities, for which cooperation will yield most added value. In addition, selection criteria have been defined more strictly to ensure that funding is given

to genuinely joint operations. Programmes will also be subject to performance review. Given the possible overlap between existing and future macro-regions, sea-basins and transnational programme areas, the proposed regulation explicitly foresees that transnational cooperation can also support the development and implementation of macro-regional strategies.

Streamlined arrangements are set out for implementation, financial management and control. For example, the number of authorities involved in programme implementation has been reduced and roles and responsibilities further defined. A set of improved indicators is also proposed.



Where to get information on cohesion policy 2014-2020

-  Multiannual Financial Framework 2014-2020
<http://ec.europa.eu/budget/reform/>
-  EU Cohesion Policy 2014-2020: legislative proposals
http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm
-  European Social Fund 2014-2020
<http://ec.europa.eu/esf/main.jsp?catId=62&langId=en>

The proposals for direct funding for 2014-2020

The European Commission's proposal for a multi-annual budget for 2014-2020 will focus on priority funding at the EU level that provides true added value. For instance, a Connecting Europe Facility that funds cross-border projects in energy, transport and information technology to strengthen the backbone of EU internal market; significantly more money for Research and Innovation to invest in competitiveness; and more funds for Europe's youth – these are just some of the new elements in the Commission proposal. At the same time, this innovative EU budget remains focused. The overall amount proposed for the next seven years is €1,025 billion in commitments (1.05% of the EU GNI) and €972.2 billion (1% of EU GNI) in payments.

The future programmes will be simplified and more conditionality will be put on how funds will be spent.

The following are some of the news related to next European funding of interest for PEP.

A new fund, the **Connecting Europe Facility**, will aim to boost the pan European value of infrastructure projects. With € 40 billion at its disposal, and another €10 billion from the Cohesion Fund, it will include a preliminary list of transport, energy and ICT projects that

bring more interconnectivity across Europe. These growth enhancing connections will provide better access to the internal market and terminate the isolation of certain economic "islands". The Connecting Europe Facility offers opportunities for using innovative financing tools to speed up and secure greater investment than could be achieved only through public funding. The Commission will promote the use of EU project bonds to bring forward the realisation of these important projects.

Investment in research and innovation in the next seven years will be significantly increased. A common EU strategy called "**Horizon 2020**" worth 80 billion € will boost Europe's global competitiveness and help create the jobs and ideas of tomorrow. It will gather all projects in this area to eliminate fragmentation and make sure EU-funded projects better complement and help coordinate national efforts.

A **safer Europe** will also be one of the goals of next programming period. Building a safer Europe means improving our environment and protecting our climate. The Commission proposes to mainstream these across the board. The Commission intends to increase the proportion to at least 20% for climate related spending, with contributions from different policy fields subject to impact assessment evidence.

A **stronger Europe in the world** will also be granted a budget to help make Europe count in the world through an increased external relations budget of €70.2 billion. Shifting alliances and emerging new powers mean that Europe must do more to make its voice count. € 16 billion will be allocated to the Neighbourhood Policy to promote democracy and prosperity around Europe. EU will also continue delivering on our commitments to help the poorest in the world. The Development and Cooperation Instrument (DCI) will receive €20.6 billion to focus on poverty eradication and to maintain EU pledge to the Millennium Development Goals (MDGs).

The new multi-annual EU budget will have more transparent, fairer resources and will reduce and simplify Member States' contributions. The Commission proposes new own resources to the existing ones, as foreseen by the Treaty. The aim is not to increase the EU budget, but to put it on a sounder footing and lower Member States' direct contributions. The new own resources would be a financial transaction tax and a new modernized VAT. Simultaneously, the current VAT-based resource (a portion of the national VAT collected by Member States) would be abandoned.

Currently, administration expenditure accounts for only 5.7% of the total EU budget. The Commission proposes that there be no increase of administrative expenditure for the next financial period. In parallel, building on the 2004 staff reform (which has already saved € 3 billion and will save 5 billion more by 2020) the Commission is proposing to further modify the Staff Regulations for EU officials.

The communication is available on the Multiannual Financial Framework website:
http://ec.europa.eu/budget/reform/index_en.htm

THE PEP and the 2014-2020 EU funding instruments at a glance

The following table provides a synthetic overview of the future instruments (2014-2020), with the indication of how the replacement will take place.

Area of relevance	Funding line 2014-2020	Funding line 2007-2013
INDIRECT FUNDING		
Transport, Environment Health	Convergence regions Transition regions Competitiveness regions Extra allocation for outermost and sparsely populated regions	Convergence Objective Regional Competitiveness and Employment Objective
Transport Environment Environment Health Climate change	Territorial Cooperation European Fund for the EU's Maritime and Fisheries Policies (EMFS)	Territorial Cooperation The European Fisheries Fund (EFF)
Environment Health Climate change	European Agricultural Fund for Rural Development (EAFRD)	European Agricultural Fund for Rural Development (EAFRD)
DIRECT FUNDING		
Environment Energy Environment Climate change	Life Horizon 2020	Life + VII Framework Programme Competitive and Innovation Programme European Institute of Innovation and Technology (CIP)
Health Energy Environment Health Health	Connecting Europe Facility Health for Growth Consumer Programme	Ten-T Ten-E Marco Polo Health Programme Consumer Programme
EXTERNAL ASSISTANCE		
Environment Transport Health Climate change Transport Environment Health Climate change Transport Environment Health Climate change Transport Environment Health Climate change	Instrument for Pre-Accession Assistance (IPA) The European Neighborhood Instrument (ENI) Development Co-operation Instrument (DCI) Partnership Instrument	Instrument for Pre-Accession Assistance (IPA) The European Neighborhood and Partnership Instrument (ENPI) Development Co-operation Instrument (DCI)
Environment Energy Climate change Environment Energy Climate change	Instrument for Greenland	NEW NEW

EU direct funding in the Environment and Energy sector 2014-2020

Proposal for a LIFE Programme for the Environment and Climate Action

In the proposal for the next Multi-annual Financial Framework for the period 2014-2020 "A budget for Europe 2020", it was decided to continue and expand the current LIFE+ Programme.

The Commission, proposed for the period 2014-2020 a number of changes to simplify the way the LIFE Programme works. The design of the new LIFE Programme will have a better focus on priorities linked to the Europe 2020 Strategy.

The **main changes** regard:

- Creation of a separate sub-programme for Climate Action;
- Clearer definition of priority areas for the Programme with multi-annual work programmes adopted in consultation with the Member States;
- Promotion of a new type of projects - "Integrated projects" – aiming at implementing on a large territorial scale environmental or climate strategies or action plans, and mobilising other EU, national and private funds. These will focus primarily on the nature, water, waste, air, and climate change mitigation and adaptation sectors.

The first part of the proposal sets out common provisions governing both sub-programmes especially in relation to objectives, geographical scope and complementarity. The second part establishes the two sub-programmes, each with priority areas for action, as well as common implementing measures to increase synergies and ensure coherence. Projects financed by way of grants remain the key feature of the LIFE Programme. Operating grants for NGOs of Union interest and that are primarily active in the fields of environment and/or climate will also be possible. The future LIFE Framework Programme will also open the doors to the use of innovative financial instruments.

In particular, it will become a Programme with *two sub-programmes*:

1. Environment
2. Climate Action.

The **sub-programme for Environment** will support efforts for better implementation and integration of environmental objectives in the following areas:

- "*Environment and Resource Efficiency*" will focus on implementation of environment policy and exclude market replication-oriented innovation;
- "*Biodiversity*" will develop best practices for wider biodiversity challenges, while keeping its focus on Natura 2000;
- "*Environmental Governance and Information*" will promote knowledge sharing, dissemination of best practices, and better compliance, in addition to awareness raising campaigns.

The **sub-programme for Climate Action** will support efforts for better implementation and integration of climate-related objectives in the following areas:

- "*Climate Change Mitigation*" will focus on reducing greenhouse gas emissions;
- "*Climate Change Adaptation*" will focus on increasing resilience to climate change;
- "*Climate Governance and Information*" will focus on increasing awareness, communication, cooperation and dissemination on climate mitigation and adaptation actions.

The proposal is likely to come into effect after the adoption by ordinary legislative procedure by the European Parliament and the Council, the proposal will be published in the EU Official Journal, and will thereafter come into effect. It should enter into force in 2013.

Potential beneficiaries

LIFE will be open to:

All Member States' authorities and public bodies (at national, regional and local level), the private sector (including SMEs), NGOs and other non-profit organisations, and civil society groups. However, the Commission shall apply the principles of solidarity and effort sharing to ensure an adequate geographical balance when selecting Integrated Projects.

Funding

A number of provisions will further simplify and streamline the delivery system, for instance by adopting lighter procedures, increasing the use of flat rates and lump-sum payments and lightening reporting requirements. Current electronic tools will be improved. Grants to finance projects will remain the main type of intervention of the Programme. Operating grants for NGOs and other bodies will remain possible, and there will also be scope for contributions to innovative financial instruments.

LIFE will enlarge its territorial scope to countries outside the EU, under certain conditions, and will adopt lighter procedures.

Further information is available on the following web site:

<http://ec.europa.eu/environment/life/about/beyond2013.htm#press>

Proposal for a Horizon 2020 Programme: Societal challenges Theme 3 and 5

In the proposal for the next Multi-annual Financial Framework for the period 2014-2020 "A budget for Europe 2020", it was decided to give way to a new programme Horizon 2020, the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Running from 2014 to 2020 with an €80 billion budget, the EU's new programme for research and innovation is part of the drive to create new growth and jobs in Europe.

Horizon 2020 will include in one Programme the current existing tools:

- The [VII Framework Programmes](#) for Research and Technical Development,

- the innovation related activities of the [Competitiveness and Innovation Framework Programme \(CIP\)](#)
- the [European Institute of Innovation and Technology \(EIT\)](#).

Horizon 2020 will provide major simplification through a single set of rules. The proposed support for research and innovation under Horizon 2020 will:

- strengthen the EU's position in science with a dedicated budget of € 24 598 million. This will provide a boost to top-level research in Europe, including an increase in funding of 77% for the very successful European Research Council (ERC).
- strengthen industrial leadership in innovation € 17 938 million. This includes major investment in key technologies, greater access to capital and support for SMEs.
- provide € 31 748 million to help address major concerns shared by all Europeans such as climate change, developing sustainable transport and mobility, making renewable energy more affordable, ensuring food safety and security, or coping with the challenge of an ageing population.

Horizon 2020 will be complemented by further measures to complete and further develop the European Research Area by 2014. These measures will aim at breaking down barriers to create a genuine single market for knowledge, research and innovation.

Key novelties:

Horizon 2020 has a number of new features that make it fit for purpose to promote growth and tackle societal challenges. These include:

- *major simplification* through a simpler programme architecture, a single set of rules,
- *less red tape* through an easy to use cost reimbursement model, a single point of access for participants, less paperwork in preparing proposals, fewer controls and audits, with the overall aim to reduce the average time to grant by 100 days;
- *an inclusive approach open to new participants*, including those with ideas outside of the mainstream, ensuring that excellent researchers and innovators from across Europe and beyond can and do participate;
- the *integration of research and innovation* by providing seamless and coherent funding from idea to market;
- *more support for innovation* and activities close to the market, leading to a direct economic stimulus;
- *a strong focus on creating business opportunities* out of our response to the major concerns common to people in Europe and beyond, i.e. 'societal challenges';
- *more possibilities for new entrants and young*, promising scientists to put forward their ideas and obtain funding.

This general objective shall be pursued through three mutually reinforcing priorities dedicated to:

- excellent science;
- industrial leadership;
- societal challenges.

Priority I: excellent science

This Part aims to reinforce and extend the excellence of the Union's science base and to

consolidate the European Research Area in order to make the Union's research and innovation system more competitive on a global scale. It consists of four specific objectives:

1. The European Research Council (ERC) shall provide attractive and flexible funding to enable talented and creative individual researchers and their teams to pursue the most promising avenues at the frontier of science, on the basis of Union-wide competition.
2. Future and emerging technologies shall support collaborative research in order to extend Europe's capacity for advanced and paradigm-changing innovation. It shall foster scientific collaboration across disciplines on radically new, high-risk ideas and accelerate development of the most promising emerging areas of science and technology as well as the Union wide structuring of the corresponding scientific communities.
3. Marie Curie actions shall provide excellent and innovative research training as well as attractive career and knowledge-exchange opportunities through cross-border and cross-sector mobility of researchers to best prepare them to face current and future societal challenges.
4. Research infrastructure shall develop European research infrastructure for 2020 and beyond, foster their innovation potential and human capital, and complement this with the related Union policy and international cooperation.

Each of these has been proven to have high Union added value. Together, they form a powerful and balanced set of activities which, in concert with activities at national and regional levels, span the breadth of Europe's needs regarding advanced science and technology. Bringing them together in a single programme will enable them to operate with greater coherence, in a rationalised, simplified and more focused way, while maintaining the continuity which is vital to sustain their effectiveness.

The activities are inherently forward-looking, building skills in the long term, focusing on the next generation of science, technology, researchers and innovations and providing support for emerging talent from across the whole of the Union and associated countries, as well as worldwide. In view of their science-driven nature and largely 'bottom-up', investigator-driven funding arrangements, the European scientific community will play a strong role in determining the avenues of research followed under the programme.

Part II: Industrial Leadership

This Part aims to speed up development of the technologies and innovations that will underpin tomorrow's businesses and help innovative European SMEs to grow into world leading companies. It consists of three specific objectives:

1. Leadership in enabling and industrial technologies shall provide dedicated support for research, development and demonstration on ICT, nanotechnology, advanced materials, biotechnology, advanced manufacturing and processing and space. Emphasis will be placed on interactions and convergence across and between the different technologies.
2. Access to risk finance shall aim to overcome deficits in the availability of debt and equity finance for R&D and innovation-driven companies and projects at all stages of development. Together with the equity instrument of the Programme for the Competitiveness of Enterprises and SMEs, it shall support the development of Union-level venture capital.

3. Innovation in SMEs shall stimulate all forms of innovation in SMEs, targeting those with the potential to grow and internationalise across the single market and beyond.

The activities shall follow a business-driven agenda. The budgets for the specific objectives 'Access to risk finance' and 'Innovation in SMEs' will follow a demand-driven, bottom-up logic, without predetermined priorities. These shall be complemented by the use of financial instruments and a dedicated SME instrument following a policy driven logic within the Part on 'Societal challenges' and the specific objective 'Leadership in enabling and industrial technologies'.

Horizon 2020 will take an integrated approach to the participation of SMEs, which could lead to around 15 % of the total combined budgets for all specific objectives on societal challenges and the specific objective 'Leadership in enabling and industrial technologies' being devoted to SMEs.

The specific objective 'Leadership in enabling and industrial technologies' shall follow a technology-driven approach to develop enabling technologies that can be used in multiple areas, industries and services. Applications of these technologies to meet societal challenges shall be supported together with the Societal challenges

Priority III: Societal challenges

This Part responds directly to the policy priorities and societal challenges identified in the Europe 2020 strategy and aiming to stimulate the critical mass of research and innovation efforts needed to achieve Union's policy goals. Funding shall be focused on the following specific objectives:

1. Health, demographic change and well-being;
2. Food security, sustainable agriculture, marine and maritime research, and the bio-economy;
- 3. Secure, clean and efficient energy;**
4. Smart, green and integrated transport;
- 5. Climate action, resource efficiency and raw materials;**
6. Inclusive, innovative and secure societies.

All the activities shall take a challenge-based approach, focusing on policy priorities without predetermining the precise choice of technologies or solutions that should be developed. The emphasis shall be on bringing together a critical mass of resources and knowledge across different fields, technologies and scientific disciplines in order to address the challenges. The activities shall cover the full cycle from research to market, with a new focus on innovation related activities, such as piloting, demonstration, test-beds, support for public procurement, design, end-user driven innovation, social innovation and market take-up of innovations.

Social sciences and humanities shall be an integral part of the activities to address all the challenges. In addition, the underpinning development of these disciplines shall be supported under the specific objective 'Inclusive, innovative and secure societies'. Support will also focus on providing a strong evidence base for policy making at international, Union, national and regional levels. Given the global nature of many of the challenges, strategic cooperation with third countries shall be an integral part of each challenge. In addition, cross-cutting support for international cooperation shall be provided under the specific objective 'Inclusive, innovative and secure societies'.

The specific objective 'Inclusive, innovative and secure societies' also includes an activity to close the research and innovation divide with specific measures to unlock excellence in less developed regions of the Union.

The Joint Research Centre's activities shall be an integral part of Horizon 2020, in order to provide robust, evidence-based support for Union policies. This shall be driven by customer needs, complemented by forward-looking activities.

The EIT shall play a major role by bringing together excellent research, education and innovation thus integrating the knowledge triangle. The EIT shall do so primarily through the Knowledge and Innovation Communities (KICs). In addition it shall ensure that experiences are shared beyond the KICs through targeted dissemination and knowledge sharing measures, thereby promoting a faster uptake of innovation models across the Union.

Theme 3: SECURE, CLEAN AND EFFICIENT ENERGY

The specific objective is to make the transition to a reliable, sustainable and competitive energy system, in the face of increasingly scarce resources, increasing energy needs and climate change. The activities under this challenge will therefore form the technological backbone of European energy and climate policy. They will also contribute to achieving the Innovation Union in the field of energy and the policy goals outlined in 'Resource Efficient Europe', 'An Industrial Policy for the Globalisation Era' and 'A Digital Agenda for Europe'. The broad lines of the activities are:

- *Reducing energy consumption and carbon footprint by smart and sustainable use*

Activities shall focus on research and full-scale testing of new concepts, non-technological solutions, more efficient, socially acceptable and affordable technology components and systems with in-built intelligence, to allow real-time energy management for near-zero emission buildings, renewable heating and cooling, highly efficient industries and mass take-up of energy efficiency solutions by companies, individuals, communities and cities.

- *Low-cost, low-carbon electricity supply*

Activities shall focus on research, development and full scale demonstration - of innovative renewables and carbon capture and storage technologies offering larger scale, lower cost, environmentally safe technologies with higher conversion efficiency and higher availability for different market and operating environments.

- *Alternative fuels and mobile energy sources*

Activities shall focus on research, development and full scale demonstration of technologies and value chains to make bio-energy more competitive and sustainable, to reduce time to market for hydrogen and fuel cells and to bring new options showing long-term potential to maturity.

- *A single, smart European electricity grid*

Activities shall focus on research, development and full scale demonstration of new grid technologies, including storage, systems and market designs to plan, monitor, control and safely operate interoperable networks in an open, decarbonised, climate resilient and competitive market, under normal and emergency conditions.

- *New knowledge and technologies*

Activities shall focus on multi-disciplinary research for energy technologies (including visionary actions) and joint implementation of pan-European research programmes and world-class facilities.

- *Robust decision making and public engagement*

Activities shall focus on the development of tools, methods and models for a robust and

transparent policy support, including activities on public acceptance and engagement, user involvement and sustainability.

- *Market uptake of energy innovation*

Activities shall focus on applied innovation to facilitate the market uptake of energy technologies and services, to address non-technological barriers and to accelerate the cost effective implementation of the Union's energy policies.

Theme 5: CLIMATE ACTION, RESOURCE EFFICIENCY AND RAW MATERIALS

The specific objective is to achieve a resource efficient and climate change resilient economy and a sustainable supply of raw materials, in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources.

Activities will contribute to increasing European competitiveness and improving well-being, whilst assuring environmental integrity and sustainability, keeping average global warming below 2 °C and enabling ecosystems and society to adapt to climate change.

The activities are:

- *Fighting and adapting to climate change*

The aim is to develop and assess innovative, cost-effective and sustainable adaptation and mitigation measures, targeting both CO₂ and non-CO₂ greenhouse gases, and underlining both technological and non-technological green solutions, through the generation of evidence for informed, early and effective action and the networking of the required competences. Activities shall focus on: improving the understanding of climate change and the provision of reliable climate projections; assessing impacts, vulnerabilities and developing innovative cost effective adaptation and risk prevention measures; supporting mitigation policies.

- *Sustainably managing natural resources and ecosystems*

The aim is to provide knowledge for the management of natural resources that achieves a sustainable balance between limited resources and the needs of society and the economy. Activities shall focus on: furthering our understanding of the functioning of ecosystems, their interactions with social systems and their role in sustaining the economy and human wellbeing; and providing knowledge and tools for effective decision making and public engagement.

- *Ensuring the sustainable supply of non-energy and non-agricultural raw materials*

The aim is to improve the knowledge base on raw materials and develop innovative solutions for the cost-effective and environmentally friendly exploration, extraction, processing, recycling and recovery of raw materials and for their substitution by economically attractive alternatives with a lower environmental impact. Activities shall focus on: improving the knowledge base on the availability of raw materials; promoting the sustainable supply and use of raw materials; finding alternatives for critical raw materials; and improving societal awareness and skills on raw materials.

- *Enabling the transition towards a green economy through eco-innovation*

The aim is to foster all forms of eco-innovation that enable the transition to a green economy. Activities shall focus on: strengthening eco-innovative technologies, processes, services and products and boosting their market uptake and replication, with special attention for SMEs; supporting innovative policies and societal changes; measuring and assessing progress towards a green economy; and fostering resource efficiency through digital systems.

- *Developing comprehensive and sustained global environmental observation and information systems*

The aim is to ensure the delivery of the long-term data and information required to address this challenge. Activities shall focus on the capabilities, technologies and data infrastructures for earth observation and monitoring that can continuously provide timely and accurate information, forecasts and projections. Free, open and unrestricted access to interoperable data and information will be encouraged.

Potential beneficiaries

Public and private Bodies of the following countries:

- EU Member States
- acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and decisions of association councils or similar agreements;
- selected third countries that fulfil all of the following criteria:
 - have a good capacity in science, technology and innovation;
 - have a good track record of participation in Union research and innovation programmes;
 - have close economic and geographical links to the Union;
 - are European Free Trade Association (EFTA) members covered by the European Neighbourhood Instrument.

Funding

Major simplification of funding rules will make the preparation of proposals and the management of projects easier. At the same time, they will reduce the number of financial errors. The following approach is proposed:

Main funding model for grants:

- Simplified reimbursement of real direct costs, with a broader acceptance of beneficiaries' usual accounting, including the eligibility of certain taxes and charges;
- The possibility of using unit personnel costs (average personnel costs) for beneficiaries for which this is their usual accounting method, and for SME owners without a salary;
- Simplification of time-recording by providing a clear and simple set of minimum conditions, in particular abolition of time-recording obligations for staff working exclusively on a Union project;
- One single reimbursement rate for all participants instead of 3 different rates by type of participant;
- One single flat rate covering indirect costs, instead of 4 methods to calculate indirect costs, as a general rule;
- Continuation of the system of unit costs and flat rates for mobility and training actions (Marie Curie);
- Output-based funding with lump sums for whole projects in specific areas.

Further information is available at the following web site:

http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home&video=none

Proposal for a Connecting Europe Facility: Energy

The European Commission on 19 October 2011 has tabled a plan which will fund €50 billion worth of investment to improve Europe's transport, energy and digital networks. The "Connecting Europe Facility" will finance projects which will fill the missing links in Europe's energy, transport and digital backbone. It will also make Europe's economy greener by promoting cleaner transport modes, high speed broadband connections and facilitating the use of renewable energy in line with the Europe 2020 Strategy. In addition the funding for energy networks will further integrate the internal energy market, reduce the EU's energy dependency and bolster the security of supply. To assist with the financing of the Connecting Europe Facility, the Commission has also adopted the terms for the Europe 2020 Project Bond Initiative which will be one of a number of risk-sharing instruments upon which the facility may draw in order to attract private finance in projects. The pilot phase will start already next year.

By focussing on smart, sustainable and fully interconnected transport, energy and digital networks, the Connecting Europe Facility will help to complete the European single market. The Commission has singled out projects where additional EU investment can have the most impact. In particular, the Commission expects Connecting Europe Facility investments to act as a catalyst for further funding from the private and public sector by giving infrastructure projects credibility and lowering their risk profiles. For the first time, the Commission is proposing a single funding instrument for the three network sectors, true to its commitment to create synergies and simplification of rules.

The Connecting Europe Facility will better mobilise private financing and allow for innovative financial instruments such as guarantees and project bonds to gain maximum leverage from this EU funding injection. The European Commission will work closely with the EIB to take advantage of capital market investors' interest in long-term investment opportunities with stable revenues.

It will replace the current existing programmes:

- [TEN-T](#)
- [TEN-E](#)
- [Marco Polo 2](#)

It includes the following sub-programmes

- Transport
- Energy
- Telecommunications and ICT
- Innovative financing and project bond initiative

The sub-programme **Connecting Europe: Energy** will aim at improving the links (through networks) for electricity, gas and oil transport. The energy sector will be granted up to 9.1 billion euro which will be invested in trans-European infrastructure, helping to meet the EU 2020 energy and climate objectives. The CEF will also help to remove financial gaps and network bottlenecks. The internal market for energy will be further developed through better interconnections, leading to security of supply and the possibility to transport renewable energy in a cost effective manner across the EU. Both citizens and companies will need to be able to rely on energy being available at all times and at an

affordable price. The money from Connecting Europe will act as leverage for more funding from other private and public investors.

What is new in this Facility?

The Commission proposes to select a number of projects of "Common Interest" which are important to reach its climate and energy goals. Projects having obtained this label have two advantages:

1. They benefit from a special permit granting procedure which is easier, faster and more transparent than normal procedures: Each member state will designate a single competent authority responsible – "a one stop shop" – for the completion of the entire permit granting process. The whole permit granting procedure will not exceed 3 years.
2. They are eligible for EU funding, be it grants, project bonds or guarantees. In the period 2014 – 2020 € 9.1 billion is earmarked for energy infrastructure under The "Connecting Europe Facility" (CEF).

The selection criteria for projects of common interest are based on the fact that they should display economic, social and environmental viability and involve at least two Member States. Additional sector-specific criteria will ensure that projects notably strengthen security of supply, enable market integration, foster competition, ensure system flexibility, and allow transmission of renewable generation to consumption centres and storage sites. It is to underline that not all projects of common interest get automatically the EU funding. Once they have the status, they can apply for EU funding. To be considered for grants for works, they will have to prove that they are commercially not viable. Being selected "project of common interest" is no guarantee for EU funding. It does however mean that the project will benefit from the faster permit granting procedures and specific regulatory treatment foreseen for these projects.

The EU could finance the following kind of projects:

- An offshore grid in the Northern Seas to transport electricity produced by offshore wind parks to consumers in the big cities
- Innovative projects to store electricity
- Complex gas pipeline projects that allow bringing gas from new supply sources, such as the Caspian region into the EU
- Compressors which enable gas to flow in both directions. This would allow countries to help each other out in the event of a gas crisis.

In the **electricity sector** four EU priority corridors are identified:

- **An offshore grid in the Northern Seas and connection to Northern and Central Europe** to transport power produced by offshore wind parks to consumers in big cities and to store power in the hydroelectric power plants in the Alps and the Nordic countries.
- **Interconnections in South Western Europe** to transport power generated from wind, solar, hydro to the rest of the continent.
- **Connections in Central Eastern und South Eastern Europe**, strengthening the regional network.
- **Integration of the Baltic Energy Market into the European market.**

In the **gas sector**, three EU priority corridors are identified:

- **Southern Corridor** to deliver gas directly from the Caspian sea to Europe to diversify gas sources.
- **Baltic Energy Market Integration and connection to Central and South East Europe**
- **North-South corridor in Western Europe** to remove internal bottlenecks and enable best use of possible external supplies.

Background:

The EU committed to reduce greenhouse gas emissions by 20% by 2020, to increase the share of renewable energy to 20% of final energy consumption and increase energy efficiency by 20%. To meet these energy and climate goals, around 200 Billion Euro must be invested in the energy transport alone, in gas pipelines and power grids. It is estimated that only part of this will come from the private sector, leaving a financial gap of 100 Billion Euro.

Potential beneficiaries

The States crossed by the Corridors

Funding

In the field of energy:

- (a) the amount of Union financial aid shall not exceed 50% of the eligible cost of studies and/or works;
- (b) co-financing rates may be increased to a maximum of 80% for actions which provide a high degree of regional or Union-wide security of supply, or strengthen solidarity of the Union or comprise highly innovative solutions.

The following financial instruments may be used:

- (a) *equity instruments*, such as investment funds with a focus on providing risk capital for actions contributing to projects of common interest;
- (b) *loans and/or guarantees* facilitated by risk-sharing instruments, including enhancement mechanism to project bonds, issued by a financial institution on its own resources with a Union contribution to the provisioning and/or capital allocation;
- (c) *any other financial instruments*.

By combining various forms of support, it will be possible to tailor the financial assistance provided to the particular needs of a project. Risk-sharing instruments are likely to be suitable for larger project-financed investments, such as big gas import pipelines involving numerous shareholders. Highly innovative projects with a significant technological risk, notably in offshore transmission, might require grant support to get off the ground.

Innovative financing and the Project bond initiative

The EU Budget is a key element to support the growth agenda and to achieve the Europe 2020 policy targets. The stronger use of innovative financial instruments is needed to multiply the outreach of the EU Budget. The Europe 2020 Project Bonds Initiative, designed for this purpose, has a double objective: to revive project bond markets and to help the promoters of individual infrastructure projects to attract long-term private sector

debt financing. The Project Bond Initiative would set up a means to reduce the risk for third party investors seeking long-term investment opportunities. It will thus act as a catalyst to re-open the debt capital market (currently largely unexploited for infrastructure investments following the financial crisis) as a significant source of financing in the infrastructure sector.

The Commission is proposing to launch a pilot phase in the period 2012-2013, still within the current Multiannual Financial Framework. The pilot phase will be based on an amendment of the Trans-European Networks (TEN) Regulation and the Competitiveness and Innovation Framework Programme (CIP) Decision and will draw on the budget lines of these programmes up to a total of EUR 230 million.

Similar to the Risk Sharing Finance Facility and Loan Guarantee instrument for TEN-Transport projects, the EU budget would be used to provide capital contributions to the EIB in order to cover a portion of the risk the EIB is taking when it finances the eligible projects. While the EU budget will provide some risk cushion for the EIB to finance the underlying projects, the EIB would cover the remaining risk. When EU budget funds are combined with the EIB financing, the total budget amount of EUR 230 million is expected to mobilise investments of up to EUR 4.6 billion.

In the pilot phase the idea is to focus on 5-10 projects, concentrating on those that are at a relatively developed stage of the bidding and financing process or require refinancing after the construction phase, in one or more of the three targeted sectors of transport, energy and broadband. The pilot phase would be managed by the EIB.



Further reading

✚ The full texts of the proposals can be found at:

http://ec.europa.eu/budget/reform/commission-proposals-for-the-multiannual-financial-framework-2014-2020/index_en.htm

and

http://ec.europa.eu/commission_2010-2014/president/index_en.htm

✚ Energy infrastructure priorities for 2020 and beyond

http://ec.europa.eu/energy/infrastructure/strategy/2020_en.htm

✚ Connecting Europe Facility- DG Energy

http://ec.europa.eu/energy/mff/facility/connecting_europe_en.htm

✚ The pilot phase of the Europe 2020 Project Bond Initiative

http://ec.europa.eu/economy_finance/financial_operations/investment/europe_2020/index_en.htm

EU direct funding in the Transport sector 2014-2020

Proposal for a Connecting Europe Facility: Transport

The Connecting Europe Facility will replace the current existing programmes:

- [TEN-T](#)
- [TEN-E](#)
- [Marco Polo 2](#)

It includes the following sub-programmes:

- Transport
- Energy
- Telecommunications and ICT
- Innovative financing and project bond initiative

The Connecting Europe Facility will invest €31.7 billion to upgrade Europe's transport infrastructure, build missing links and remove bottlenecks. This includes €10 billion ring fenced in the Cohesion Fund for transport projects in the cohesion countries, with the remaining 21.7 billion available for all Member States for investing in transport infrastructure. The idea is to improve links between different parts of the EU, to make it easier for different countries to exchange goods and people with each other.

By focusing on transport modes that are less polluting, the Connecting Europe Facility will push our transport system to become more sustainable. It will also give consumers more choice about how they want to travel.

Transport systems in Europe have traditionally developed along national lines. The EU has a crucial role to play in coordinating between Member States when planning, managing and funding cross-border projects. A well-functioning network is essential to the smooth operation of the single market and will boost competitiveness. The Commission proposed to create corridors to cover the most important cross-border projects. It has estimated that by 2020, €500 billion will be needed to realise a real European network.

Within the heading regrouping all actions supporting economic, social and territorial cohesion, the Commission is proposing to create a Connecting Europe Facility to promote the completion of the "transport core network" which will be the key objective of the facility which will be established using a pan European planning methodology. Beyond maintenance of existing assets, the comprehensive network would be based on the current TEN-T and encompass existing and planned infrastructure in Member States. The cost of EU infrastructure development to match the demand for transport has been estimated at over €1.5 trillion for 2010-2030. The completion of the TEN-T network requires about €500 billion by 2020, of which €250 billion would be for the removal of the main bottlenecks.

Furthermore, the task is to build an environment conducive to private investment and develop instruments that will be attractive vehicles for specialised infrastructure investors. Member States and the European Union must set the conditions to stimulate private investment and must also step-up their own efforts despite, and because of the current

financial difficulties facing all public authorities. To be most effective, such vehicles need to be multi-sector and multi-country to maximise diversification and thereby reduce risk. This can only be achieved at the European level and on the basis of well-defined corridors and targeted areas of investment. Attracting savings to long term, growth enhancing investments will stimulate the economy, create jobs, boost consumption and support the goals agreed by all as part of the Europe 2020 strategy.

The Connecting Europe Facility will support pan European projects where a coordinated and optimised approach will reduce the collective costs or address the issue of uneven returns. Furthermore, through the joint establishment of financial instruments, it will provide tools for attracting private sector funds from both within and beyond the EU. Project financing will thereby complement and enhance the use of EU funds. The 'Connecting Europe' facility will also exploit synergies in hard infrastructure (for example by realising jointly large transport and energy cross-border links) and by deploying smart information technologies in transport and energy infrastructure.

Potential beneficiaries

The States crossed by the Corridors

Funding

The Infrastructures Facility will have a single fund of €40 billion for the period 2014-2020. Inside this amount, specific funding will be allocated for the energy, transport and digital networks. The Facility will be centrally managed by the Commission with the support of an executive agency (such as the current TEN-T Executive agency) and financial intermediaries. The actual technical implementation of projects on the ground (e.g. procurement and tendering) will be done by the project promoters. The Facility will be complemented by an additional €10 billion ring fenced for related transport infrastructures investments inside the Cohesion Fund.

Depending on the sectors, the geographical location and the type of projects, different co-financing rates will apply, balancing both the need to maximise leverage and to significantly accelerate the project's implementation. Maximum rates of co-financing will be modulated based on a cost-benefit analysis of each project, availability of budget resources and the need to maximise the leverage of EU funding. For the three sectors of the facility, the impact of the applicable co-financing rate heavily depends on the economic/development status of the concerned countries.

The Connecting Europe Facility will combine market based instruments and EU direct support in order to optimise the impact of financing. The high leverage effects of innovative financial instruments (e.g. which could be as high as up to 1:25 for project bonds) and the successful absorption of direct EU support (as experienced in the EERP or TEN-T programme) will contribute significantly to mitigating risks and to facilitating access to capital for the huge investment needs.



Proposed budget allocation for 2014-2020

Connecting Europe Facility €40 bn
of which

- Energy €9.1 bn
- Transport €21.7 bn
- ICT/Digital €9.2 bn

Amounts earmarked in Cohesion Fund for transport infrastructures €10 bn

Total €50 bn

Further information is available at the following web site:

http://ec.europa.eu/transport/infrastructure/connecting_en.htm

Proposal for a Horizon 2020 Programme: Societal challenges Theme 4

In the proposal for the next Multi-annual Financial Framework for the period 2014-20201 "A budget for Europe 2020", it was decided to give way to a new programme Horizon 2020, the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Running from 2014 to 2020 with an €80 billion budget, the EU's new programme for research and innovation is part of the drive to create new growth and jobs in Europe.

Horizon 2020 will include in one Programme the current existing tools:

- The VII Framework Programmes for Research and Technical Development,
- the innovation related activities of the Competitiveness and Innovation Framework Programme (CIP)
- the European Institute of Innovation and Technology (EIT).

Priority III: Societal challenges

This Part responds directly to the policy priorities and societal challenges identified in the Europe 2020 strategy and aiming to stimulate the critical mass of research and innovation efforts needed to achieve Union's policy goals. Funding shall be focused on the following specific objectives:

1. Health, demographic change and well-being;
2. Food security, sustainable agriculture, marine and maritime research, and the bio economy;
3. Secure, clean and efficient energy;
4. **Smart, green and integrated transport;**
5. Climate action, resource efficiency and raw materials;
6. Inclusive, innovative and secure societies.

All the activities shall take a challenge-based approach, focusing on policy priorities without predetermining the precise choice of technologies or solutions that should be developed. The emphasis shall be on bringing together a critical mass of resources and

knowledge across different fields, technologies and scientific disciplines in order to address the challenges. The activities shall cover the full cycle from research to market, with a new focus on innovation related activities, such as piloting, demonstration, test-beds, support for public procurement, design, end-user driven innovation, social innovation and market take-up of innovations.

Theme 4. SMART, GREEN AND INTEGRATED TRANSPORT

The specific objective is to achieve a European transport system that is resource efficient, environment-friendly, safe and seamless for the benefit of citizens, the economy and society.

Broad lines of the activities:

- *Resource efficient transport that respects the environment*

The aim is to minimise transport's impact on climate and the environment by improving its efficiency in the use of natural resources, and by reducing its dependence on fossil fuels. The focus of activities shall be to reduce resource consumption and greenhouse gas emissions and improve vehicle efficiency, to accelerate the development and deployment of a new generation of electric and other low or zero emission vehicles, including through breakthroughs in engines, batteries and infrastructure; to explore and exploit the potential of alternative fuels and innovative and more efficient propulsion systems, including fuel infrastructure; to optimise the use of infrastructures, by means of intelligent transport systems and smart equipment; and to increase the use of demand management and public and non-motorised transport, particularly in urban areas.

- *Better mobility, less congestion, more safety and security*

The aim is to reconcile the growing mobility needs with improved transport fluidity, through innovative solutions for seamless, inclusive, safe, secure and robust transport systems. The focus of activities shall be to reduce congestion, improve accessibility and match user needs by promoting integrated door-to-door transport and logistics; to enhance inter-modality and the deployment of smart planning and management solutions; and to drastically reduce the occurrence of accidents and the impact of security threats.

- *Global leadership for the European transport industry*

The aim is to reinforce the competitiveness and performance of European transport manufacturing industries and related services.

The focus of activities shall be to develop the next generation of innovative transport means and to prepare the ground for the following one, by working on novel concepts and designs, smart control systems and interoperable standards, efficient production processes, shorter development times and reduced lifecycle costs.

- *Socio-economic research and forward looking activities for policy making*

The aim is to support improved policy making which is necessary to promote innovation and meet the challenges raised by transport and the societal needs related to it. The focus of activities shall be to improve the understanding of transport related socioeconomic trends and prospects, and provide policy makers with evidence-based data and analyses.

Potential beneficiaries

Public and private Bodies of the following countries:

- EU Member States

Horizon 2020 shall be open to the association of:

- acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and decisions of association councils or similar agreements;
- selected third countries that fulfil all of the following criteria:
 - have a good capacity in science, technology and innovation;
 - have a good track record of participation in Union research and innovation programmes;
 - have close economic and geographical links to the Union;
 - are European Free Trade Association (EFTA) members or countries or territories listed in the Annex to Regulation (EU) No XX/2012 of the European Parliament and the Council establishing a European Neighbourhood Instrument.

Funding

Major simplification of funding rules will make the preparation of proposals and the management of projects easier. At the same time, they will reduce the number of financial errors. The following approach is proposed:

Main funding model for grants:

- Simplified reimbursement of real direct costs, with a broader acceptance of beneficiaries' usual accounting, including the eligibility of certain taxes and charges;
- The possibility of using unit personnel costs (average personnel costs) for beneficiaries for which this is their usual accounting method, and for SME owners without a salary;
- Simplification of time-recording by providing a clear and simple set of minimum conditions, in particular abolition of time-recording obligations for staff working exclusively on a Union project;
- One single reimbursement rate for all participants instead of 3 different rates by type of participant;
- One single flat rate covering indirect costs, instead of 4 methods to calculate indirect costs, as a general rule;
- Continuation of the system of unit costs and flat rates for mobility and training actions (Marie Curie);
- Output-based funding with lump sums for whole projects in specific areas.

Further information is available at the following web site:

http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home&video=none

EU direct funding in the Health sector 2014-2020

Proposal for a Horizon 2020 Programme: Societal challenges Theme 1 and 2

In the proposal for the next Multi-annual Financial Framework for the period 2014-2020 "A budget for Europe 2020", it was decided to give way to a new programme Horizon 2020, the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Running from 2014 to 2020

with an €80 billion budget, the EU's new programme for research and innovation is part of the drive to create new growth and jobs in Europe.

Horizon 2020 will include in one Programme the current existing tools:

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Priority III: Societal challenges

This Part responds directly to the policy priorities and societal challenges identified in the Europe 2020 strategy and aiming to stimulate the critical mass of research and innovation efforts needed to achieve Union's policy goals. Funding shall be focused on the following specific objectives:

1. **Health, demographic change and well-being;**
2. **Food security, sustainable agriculture, marine and maritime research, and the bio economy;**
3. Secure, clean and efficient energy;
4. Smart, green and integrated transport;
5. Climate action, resource efficiency and raw materials;
6. Inclusive, innovative and secure societies.

All the activities shall take a challenge-based approach, focusing on policy priorities without predetermining the precise choice of technologies or solutions that should be developed. The emphasis shall be on bringing together a critical mass of resources and knowledge across different fields, technologies and scientific disciplines in order to address the challenges. The activities shall cover the full cycle from research to market, with a new focus on innovation related activities, such as piloting, demonstration, test-beds, support for public procurement, design, end-user driven innovation, social innovation and market take-up of innovations.

Theme 1: HEALTH, DEMOGRAPHIC CHANGE AND WELLBEING

The specific objective is to improve the lifelong health and wellbeing of all.

Lifelong health and wellbeing for all, high-quality and economically sustainable health and care systems, and opportunities for new jobs and growth are the aims of support to research and innovation in response to this challenge and will make a major contribution to Europe 2020.

The cost of Union health and social care systems is rising with care and prevention measures in all ages increasingly expensive, the number of Europeans aged over 65 expected to nearly double from 85 million in 2008 to 151 million by 2060, and those over 80 to rise from 22 to 61 million in the same period. Reducing or containing these costs such that they do not become unsustainable depends in part on ensuring the lifelong health and wellbeing of all and therefore on the effective prevention, treatment and management of disease and disability. Chronic conditions such as cardiovascular disease (CVD), cancer, diabetes, neurological and mental health disorders, overweight and obesity and various functional limitations are major causes of disability, ill-health and premature death, and present considerable social and economic costs.

In the Union, CVD annually accounts for more than 2 million deaths and costs the economy more than EUR 192 billion while cancer accounts for a quarter of all deaths and is the number one cause of death in people aged 45-64. Over 27 million people in the Union suffer from diabetes and the total cost of brain disorders (including, but not limited to those affecting mental health) has been estimated at EUR 800 billion. Environmental, life-style and socioeconomic factors are relevant in several of these conditions with up to one third of the global disease burden estimated to be related to these.

Infectious diseases (e.g. HIV/AIDS, tuberculosis and malaria), are a global concern, accounting for 41 % of the 1.5 billion disability adjusted life years worldwide, with 8 % of these in Europe. Emerging epidemics and the threat of increasing anti-microbial resistance must also be prepared for. Meanwhile, drug and vaccine development processes are becoming more expensive and less effective. Persistent health inequalities must be addressed, and access to effective and competent health systems must be ensured for all Europeans.

As disease and disability can't be stopped by national borders, an appropriate European level research and innovation response can and should make a crucial contribution to addressing these challenges, deliver better health and wellbeing for all, and position Europe as a leader in the rapidly expanding global markets for health and wellbeing innovations.

Broad lines of the activities

- *Effective health promotion*, supported by a robust evidence base, prevents disease, improves wellbeing and is cost effective. Health promotion and disease prevention also depend on an understanding of the determinants of health, on effective preventive tools, such as vaccines, on effective health and disease surveillance and preparedness, and on effective screening programmes.
- *Successful efforts to prevent, manage, treat and cure disease*, disability and reduced functionality are underpinned by the fundamental understanding of their determinants and causes, processes and impacts, as well as factors underlying good health and wellbeing.
- *Effective sharing of data* and the linkage of these data with large scale cohort studies is also essential, as is the translation of research findings into the clinic, in particular through the conduct of clinical trials.

An increasing disease and disability burden in the context of an aging population places further demands on health and care sectors. If effective health and care is to be maintained for all ages, efforts are required to improve decision making in prevention and treatment provision, to identify and support the dissemination of best practice in the health and care sectors, and to support integrated care and the wide uptake of technological, organizational and social innovations empowering in particular older persons as well as disabled persons to remain active and independent. Doing so will contribute to increasing, and lengthening the duration of their physical, social, and mental well-being.

All of these activities shall be undertaken in such a way as to provide support throughout the research and innovation cycle, strengthening the competitiveness of the European based industries and development of new market opportunities.

Specific activities shall include: understanding the determinants of health (including environmental and climate related factors), improving health promotion and disease prevention; understanding disease and improving diagnosis; developing effective screening programmes and improving the assessment of disease susceptibility; improving surveillance and preparedness; developing better preventive vaccines; using in-silico

medicine for improving disease management and prediction; treating disease; transferring knowledge to clinical practice and scalable innovation actions; better use of health data; active ageing, independent and assisted living; individual empowerment for self-management of health; promotion of integrated care; improving scientific tools and methods to support policy making and regulatory needs; and optimising the efficiency and effectiveness of healthcare systems and reducing inequalities by evidence based decision making and dissemination of best practice, and innovative technologies and approaches.

Theme 2. FOOD SECURITY, SUSTAINABLE AGRICULTURE, MARINE AND MARITIME RESEARCH AND THE BIO-ECONOMY

The specific objective is to secure sufficient supplies of safe and high quality food and other bio-based products, by developing productive and resource-efficient primary production systems, fostering related ecosystem services, alongside competitive and low carbon supply chains. This will accelerate the transition to a sustainable European bio economy.

Broad lines of activities

(a) Sustainable agriculture and forestry

The aim is to supply sufficient food, feed, biomass and other raw-materials, while safeguarding natural resources and enhancing ecosystems services, including coping with and mitigating climate change. The activities shall focus on more sustainable and productive agriculture and forestry systems which are both resource-efficient (including low-carbon) and resilient, while at the same time developing of services, concepts and policies for thriving rural livelihoods.

(b) Sustainable and competitive agri-food sector for a safe and healthy diet

The aim is to meet the requirements of citizens for safe, healthy and affordable food, and to make food and feed processing and distribution more sustainable and the food sector more competitive. The activities shall focus on healthy and safe foods for all, informed consumer choices, and competitive food processing methods that use fewer resources and produce less byproducts, waste and green-house gases.

(c) Unlocking the potential of aquatic living resources

The aim is to sustainably exploit aquatic living resources to maximise social and economic benefits/returns from Europe's oceans and seas. The activities shall focus on an optimal contribution to secure food supplies by developing sustainable and environmentally friendly fisheries and competitive European aquaculture in the context of the global economy and on boosting marine innovation through biotechnology to fuel smart "blue" growth.

(d) Sustainable and competitive bio-based industries

The aim is the promotion of low carbon, resource efficient, sustainable and competitive European bio-based industries. The activities shall focus on fostering the bio-economy by transforming conventional industrial processes and products into bio-based resource and energy efficient ones, the development of integrated biorefineries, utilising biomass from primary production, biowaste and bio-based industry by-products, and opening new markets through supporting standardisation, regulatory and demonstration/field trial activities and others, while taking into account the implication of the bio-economy on land use and land use changes.

Potential beneficiaries

Public and private Bodies of the following countries:

- EU Member States

Horizon 2020 shall be open to the association of:

- acceding countries, candidate countries and potential candidates, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective framework agreements and decisions of association councils or similar agreements;
- selected third countries that fulfil all of the following criteria:
 - have a good capacity in science, technology and innovation;
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Funding

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- Continuation of the system of unit costs and flat rates for mobility and training actions (Marie Curie);
- Output-based funding with lump sums for whole projects in specific areas.

Further information is available at the following web site:

http://ec.europa.eu/research/horizon2020/index_en.cfm?pg=home&video=none

Connecting Europe Facility: Telecommunications and ICT

It will replace the current existing programmes:

- [TEN-T](#)
- [TEN-E](#)
- [Marco Polo 2](#)

It includes the following sub-programmes

- Transport
- Energy
- Telecommunications and ICT
- Innovative financing and project bond initiative

The "Connecting Europe Facility" foresees almost €9.2 billion to support investment in fast and very fast broadband networks and pan-European digital services.

The CEF finance will leverage other private and public money, by giving infrastructure projects credibility and lowering their risk profiles. On the basis of conservative estimates, the Commission considers that the network infrastructure finance could stimulate investment worth more than €50 billion. The Digital Agenda for Europe set targets for 2020 of broadband access for all at speeds of at least 30 Mbps, with at least 50% of households subscribing to speeds above 100Mbps.

As regards digital services, the money would be used for grants to build infrastructure needed to roll-out e-ID, eProcurement, electronic health care records, Europeana, eJustice and customs-related services. The money would serve to ensure interoperability and meet the costs of running the infrastructure at European level, linking up Member States' infrastructures.

The digital service infrastructure projects would be selected for CEF grants by the Commission from proposals received in such areas as:

- trans-European very high-speed backbone connections for public administrations
- **cross-border delivery of eGovernment and e-Health services**
- enabling access to public sector information and multilingual services
- pan-EU authentication of electronic identification (eID) so that citizens and businesses can access digital services in any Member State
- electronic procurement
- making it easier to complete administrative procedures to set up a business in another EU country
- cooperation to take down illegal content (e.g. child pornography) from the Internet
- coordinated responses to cyber-threats
- enabling access to Europe's cultural heritage (Europeana)
- **deployment of information and communication technology solutions for intelligent energy networks and for the provision of Smart Energy Services.**

Projects would be evaluated on the basis of their ability to contribute towards a digital Single Market in the EU. They would be financed primarily by grants. The money would be used to promote pan-European interoperability and meet the costs of linking up existing, often national, infrastructures and of running dedicated European-level components of digital service infrastructures.

The exact amount of funding available each year in the CEF to support both broadband and digital service infrastructure will be set out in Annual Work Programmes

Potential beneficiaries

The Member States

Funding

In the field broadband infrastructure, EU funding from the CEF would leverage other private and public money by giving projects credibility and lowering their risk profiles. The money would be largely in the form of equity, debt or guarantees. This would then attract capital market financing from investors; the Commission and international financial institutions such as the European Investment Bank would absorb part of the risk and improve projects' credit rating.

Projects are likely to be proposed by established telecoms operators as well as new players such as water, sewage, electricity utilities, cooperative investment projects or construction firms. Many projects are likely to involve several of these investors clubbing together. The Commission also expects public authorities to join projects as part of public-private partnerships.

The aim is to support investment in less obviously attractive broadband infrastructure projects, especially those outside urban or densely populated areas.

Access to CEF finance would speed up investment. It would also exert competitive pressure on telecommunications network companies to invest in their own networks.

The CEF would also provide financing for technical assistance or horizontal support such as mapping existing and future broadband networks.

The Digital Agenda for Europe

http://ec.europa.eu/information_society/digital-agenda/index_en.htm

Europeana

<http://www.europeana.eu/portal/>

Proposal for a “Health for Growth” Programme

On 9 November 2011 the European Commission adopted a proposal for the new Health for Growth Programme. The programme aims to foster a Europe of healthy, active, informed and empowered citizens, who can contribute to economic growth.

The new programme will run from 2014-2020 will replace the current “Health Programme”.

The focus will be on fewer concrete actions that offer clear EU added-value.

The Health for Growth Programme aims to support and complement the work of Member States to achieve the following four objectives:

- Developing innovative and sustainable health systems;
- Increasing access to better and safer healthcare for citizens;
- Promoting health and preventing disease; and
- Protecting citizens from cross-border health threats.

This programme aims thus to build on the previous Health Programmes to support and deliver action aimed at encouraging the uptake of innovation in health, fostering better

and safer healthcare, promoting good health and preventing diseases, and protecting citizens from cross-border health threats.

Examples on which further action will be built:

- Co-operation on Health technology assessment (HTA), an EU-wide voluntary network of Member States' HTA agencies to share information on the effectiveness of health technologies such as medicines, medical devices, and preventive measures, to support national decision-making on technology;
- Co-operation on rare diseases at European level to improve prevention, diagnosis and treatment for patients with rare diseases across the EU, including the EU portal for rare disease (www.orpha.net), the world reference database on rare diseases;
- Cancer prevention and control, through EU-wide screening guidelines to improve early detection so that the disease can be diagnosed at an early stage and lives can be saved; and through exchange of knowledge and best practice on cancer prevention, research and care.

Potential beneficiaries

Potential candidates are:

- national health authorities
- public and private bodies,
- international organisations and NGOs with a general interest in health at EU level and which support the programme's specific objectives.

The Programme is open to:

- EU Member States
- EFTA/EEA countries
- countries acceding to the EU, candidate countries and potential candidates
- countries covered by the European Neighbourhood Policy, as long as membership of the programme remains in accordance with the conditions of their bilateral or multilateral agreements

Funding

The financial appropriations for implementing the programme over the period from 1 January 2014 to 31 December 2020 will amount to 446 million euro (in current prices). The budget will be implemented by centralised direct management, though parts of the implementation tasks of the programme might be delegated to the existing executive agency EAHC. This agency set up its own internal control system, is supervised by DG SANCO, and audited by the Commission's internal auditor as well as the Court of Auditors. Further information is available at the following web site:

http://ec.europa.eu/health/programme/policy/proposal2014_en.htm

Proposal for a “Consumer” Programme

On 9 November 2011 the European Commission adopted a proposal for the Consumer Programme. The programme aims to foster a Europe of healthy, active, informed and empowered citizens, who can contribute to economic growth.

This new programme will run from 2014-2020 with a focus will be on fewer concrete actions that offer clear EU added-value. It will replace the "Consumer Programme 2007-2013"

The Consumer Programme will support EU consumer policy in the years to come. Its objective is to place consumers at the centre of the Single Market and empower them to participate actively in the market and make it work for them, particularly by:

- Enhancing product safety through effective market surveillance;
- Improving consumers' information, education and awareness of their rights;
- Consolidating consumer rights and strengthening effective redress, especially through alternative dispute resolution;
- Strengthening enforcement of rights cross-border.

This programme aims to build on the previous programme by focusing action on empowerment of the consumer through safety, information and education, rights and redress and enforcement actions. Actions will focus on:

- *Monitoring and enforcing safety* through EU-wide systems such as RAPEX, the EU rapid alert system for dangerous consumer products
- *Information and education initiatives* to make consumers, particularly young consumers, aware of their rights. This includes also the continuing development of the evidence base for better policy making at both EU and national level on consumer issues, with, for example, the Consumer Markets Scoreboard which maps out the markets that fail consumers in Europe;
- *Delivering legislation aimed at enhancing consumer rights*, for example the Consumer Credit Directive which ensures that consumers across Europe enjoy a common set of core rights, including the right to receive clear and comparable information before committing themselves financially; and Redress, where good preparatory work has been done, particularly, on Alternative Dispute Resolution.
- *Enforcement action through "Sweeps" operations*, which are co-ordinated by the European Commission and carried out simultaneously by national consumer enforcement authorities to see where consumer rights are being compromised or denied;

Potential beneficiaries

Potential candidates are:

- national health authorities
- public and private bodies
- international organisations and NGOs with a general interest in health at EU level and which support the programme's specific objectives.

The Programme is open to:

- EU Member States
- EFTA/EEA countries
- countries acceding to the EU, candidate countries and potential candidates
- countries covered by the European Neighbourhood Policy, as long as membership of the programme remains in accordance with the conditions of their bilateral or multilateral agreements

Funding

The financial appropriations for implementing the programme over the period from 1 January 2014 to 31 December 2020 will amount to 197 million euro (in current prices).
The budget

Further information is available at the following web site:

http://ec.europa.eu/consumers/strategy/programmes_en.htm#programme2014

External assistance programmes 2014-2020

The legislative package regarding the EU external assistance was presented on 7 December 2011 by the European Commission and is part of the proposals of the next Multiannual Financial Framework. It consists of a main Communication entitled 'Global Europe' and legislative proposals for nine geographic and thematic instruments. The basic principle is that at a time when the world order is changing rapidly and emerging economies like China, India and Brazil are asserting their influence, Europe must stand together and be an active partner in shaping global change. These budgetary proposals will also enable the EU to further reinforce its role on the global stage and promote its interests and values.

An increased external relations budget will help make Europe count in a world of shifting alliances and emerging new powers. The overall objective for external action will be to ensure that the EU is also able to live up to its ambitions in promoting democracy, peace, solidarity, stability and poverty reduction and to help safeguard global public goods.

The EU will focus its work with its external partners on **four policy priorities**:

- Enlargement
- Neighbourhood,
- Cooperation with strategic partners
- Development cooperation.

The total amount proposed for this external relations package is €96,249.4 million (current prices) over the period 2014-2020.

The **main differences of the proposal** lie in the principles underpinning the new set of instruments rather than in a revised structure.

A differentiated approach with different forms of cooperation

- The EU will seek to target its resources where they are needed most and where they could make the most difference. A more differentiated approach to partnerships and aid allocation driven by the country context is a core principle of this proposal.
- Assistance will be allocated on the basis of country needs, capacities, commitments, performance and potential EU impact. Differentiation will allow for different forms

of cooperation such as blending grants and loans from international financial institutions, including the European Investment Bank.

- Concentration of spending

- The EU will also ensure concentration of external spending to avoid the inefficiencies resulting from sectoral dispersion and aid fragmentation.

More flexibility

- In a fast-changing world, EU financial instruments have historically been hampered by a lack of flexibility. In order to further increase the EU's capacity to respond to unforeseen events, new mechanisms have been introduced for revision of the instruments to increase flexibility.

Simplification of rules

- Simplified rules and procedures for programming and delivering EU assistance are proposed for all external instruments to ensure more effective delivery of EU assistance.

Greater focus on human rights, democracy and good governance

- The EU will aim for mutual accountability in allocating and disbursing funds. Overall, EU external instruments will take greater account of human rights, democracy and good governance when it comes to allocating external assistance to partner countries.

In line with the Lisbon Treaty provisions, the new instruments will implement new mechanisms to ensure more democratic debate on EU external assistance through a stronger involvement of the European Parliament.

Improved coordination between the EU and Member States to maximise the impact and visibility will also be a key feature of this new set of instruments, notably through joint programming of aid.

Proposal for a new “Instrument for pre-accession assistance – (IPA)”

A single integrated pre-accession instrument is proposed as the financial pillar of the Enlargement Strategy, encompassing all dimensions of internal policies and thematic issues. It will be implemented through national/multi-beneficiary programmes agreed with the beneficiaries and will also mirror the Structural Funds, the Cohesion Fund and the European Agricultural Fund for Rural Development (EAFRD).

Currently the EU provides financial support to the enlargement countries in their preparations for EU accession. Since 2007, this is done through a single financial instrument: the Instrument for Pre-Accession Assistance (IPA).

Continued EU support will be provided also after 2014 to the countries in the enlargement process, to help them meet the necessary requirements to join the EU. This support will be delivered through the renewed Instrument of Pre-accession Assistance (IPA).

Any European country that respects EU values may apply to join the EU. At the moment, there are five candidate countries: Croatia (expected to become a Member State on 1 July 2013), Iceland, Montenegro, the Former Yugoslav Republic of Macedonia, Serbia and Turkey. Albania, Bosnia and Herzegovina and Kosovo also share the European perspective. They are known as potential candidates.

Main elements of the new IPA

On the delivery side, while ensuring continuity and seamless transition from the current IPA, the new instrument will operate under simplified rules so as to facilitate access to the funding for beneficiaries. For better effectiveness and efficiency, the assistance will be made more result-oriented, flexible and tailored to specific needs:

- to focus assistance on a limited number of policy areas that will notably help beneficiary countries strengthen their democratic functioning, enhance their economic and social development and align progressively with the Copenhagen criteria. Moreover, the coherence between the financial assistance and the overall progress made in the implementation of the pre-accession strategy will be strengthened.
- to better translate political priorities into key actions which can receive IPA funding, a Common Strategic Framework for the instrument will be introduced. The IPA Common Strategic Framework will include criteria for the allocation of funds to beneficiary countries and to multi-country and territorial cooperation actions.
- to address more closely the needs of the beneficiaries and taking better into account their technical and administrative capacities, access to assistance will be granted under the same terms to all enlargement countries, without distinction based on the status of the country (i.e. whether candidate or potential candidate).
- to reduce the administrative burden, assistance programmes will become multi-annual, reviewed once at mid-term (compared to the current system of annual revisions and programming). This will allow us to focus more on the objectives themselves, rather than the mechanics of preparing individual projects.

- to make the overall IPA assistance more coherent, the current system of five separate components will be reviewed. All countries will be able to work on all policy areas at a much earlier stage.
- to improve the effectiveness of the assistance, there will be more flexibility to allocate funds to more result-oriented actions, to cater for emerging needs and to give incentives to improve performance.
- to leverage more funds and exploit synergies to enable necessary investments to be made, the new instrument will provide for increased cooperation with international financial institutions and other donors, and for the use of innovative financial instruments.

Further information on the EU External assistance:

http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm

Budget

The proposed budget for the new IPA is €14.110 billion in current prices for the period 2014-2020. This represents a stable budget at the same level of the current IPA in 2013.



Background

After Article 49 of Maastricht Treaty of 1992, each country which respects the freedom and democracy principles human rights and the basic freedoms and the rule of law, may ask to join EU

During a meeting held in Copenhagen in 1993, the EU Head of Governments have then established the accession criteria (Copenhagen criteria)

Copenhagen criteria are:

- ✚ the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- ✚ the existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union;
- ✚ the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union and the administrative capacity to effectively apply and implement the acquis.

In addition to the typical Copenhagen criteria, **for the programming period 2014-2020**, the candidate countries must also **be ready to face the world challenges** such as:

- ✚ Sustainable development
- ✚ Climate change
- ✚ And the ability to assume the EU efforts to face such challenges

Proposal for a new “European Neighbourhood Instrument - (ENI)”

In the context of the renewed approach to the European Neighbourhood Policy (ENP) outlined in the Joint Communication of 25 May 2011, the new ENI Instrument will provide increased support to 16 partner countries to the East and South of the EU’s borders. The new ENI will replace the European Neighbourhood and Partnership Instrument (ENPI) and will contribute to strengthening bilateral relations with partner countries and bring tangible benefits to both the EU and its partners in areas such as democracy and human rights, the rule of law, good governance and sustainable development. It will continue to provide the bulk of funding to the European Neighbourhood countries, essentially through bilateral, regional and cross border co-operation programmes.

Main elements of the new ENI

- Application of differentiation and the “more for more” principle: This principle is the key aspect of the renewed Neighbourhood policy, and will allow the EU to increase its support significantly for those partners that are genuinely implementing a broad and comprehensive democratisation process. It provides for a much higher level of differentiation in the cooperation with partner countries, reflecting their commitment to universal values, progress in deep democratisation and jointly agreed objectives. It will allow the EU to better adjust its assistance to the partner countries' needs and progress.
- Reducing the complexity and length of the programming process. This will be done in order to streamline, shorten and better focus the programming so support can be delivered faster to our ENP partner countries
- Streamlining the scope of the Instrument through focusing our cooperation on the key policy objectives set out in particular in the ENP action plans agreed with the partners. This will make EU support more relevant and more efficient. Objectives will include in particular promoting human rights and fundamental freedoms, stronger and more inclusive growth, and support to in the progressive economic integration into the EU internal market. Other key areas include promoting confidence building and other measures that contribute to security and the prevention and settlement of conflicts. Support for increased people to people contacts, sectoral cooperation (**e.g. energy and climate change**) and civil society organisations will also figure prominently.
- Amending the provisions on the Cross-Border Cooperation programme. Cross-Border Cooperation (CBC) programmes aim at reinforcing cooperation between Member States and partner countries along the external border of the European Union. The programmes promote economic and social development in border areas, address common challenges, ensure efficient and secure borders and promote people-to-people cooperation. The new provisions will facilitate effective and fast implementation of the programmes, which will benefit participating EU Member States and partner countries and their citizens.
- Promoting closer links with EU internal instruments and policies. This will be done notably by promoting mechanisms for the pooling of funds from internal and external instruments of the EU budget. The aim is to enable partner countries and their citizens to participate in successful EU internal programmes in areas such as student mobility, youth programmes or support to Civil Society, while improving the efficiency and simplification of the implementation of assistance.

- Responding to the evolving relationship with Russia by amending provisions on Russia's eligibility for ENI funding to reflect the specific status of Russia as an EU neighbour and strategic partner. Russia's eligibility for regional and Cross-Border Cooperation programmes is retained in the new ENI, but bilateral cooperation will be addressed in the future under the new Partnership Instrument.
- Simplifying and mainstreaming the implementation provisions within a new Implementing Regulation common to all EU external assistance instruments.

Budget

The proposed budget for the new ENI is €18.2 billion for the period 2014 - 2020. This represents a significant increase compared to the budget of the previous ENPI instrument. This significant increase reflects the increased priority of the ENP in the overall foreign policy of the EU.



Background

After Article 49 The European Neighbourhood Policy (ENP) covers 16 partners to the East and South of the EU's borders, namely Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, the Republic of Moldova, Morocco, the occupied Palestinian territory, Syria, Tunisia and Ukraine. Under the ENP, the EU offers its neighbours a privileged relationship, building on a mutual commitment to values and principles. These include:

- democracy and human rights
- the rule of law
- good governance
- market economy principles
- sustainable development, including climate action

The ENP also provides for political association and fosters deeper economic integration with neighbourhood countries; it improves mobility and enhances people-to-people contacts.

Since the ENP was set up in 2004, the EU's relationship with its neighbours has evolved and important political changes have taken place, most recently the “**Arab Spring**” revolutions in the Southern Neighbourhood. The EU started a comprehensive review of the European Neighbourhood Policy in 2010 and presented its new approach on 25 May 2011: “A new response to a changing Neighbourhood”. This Joint Communication outlines a new approach towards the EU's neighbours to the East and South, based on differentiation, mutual accountability and a shared commitment to respecting universal values, international human rights standards, democracy and the rule of law.

The renewed vision for the European Neighbourhood Policy is reflected in the new ENI regulation, which has been proposed as part of the MFF external relations package and will replace the ENPI which runs out at the end of 2013.

Further information is available at the following web site:

http://ec.europa.eu/world/enp/index_en.htm

ENPI Info Centre: <http://www.enpi-info.eu/>

The full text of the proposal is available at the following web site:

http://ec.europa.eu/world/enp/docs/2011_prop_eu_neighbourhood_instrument_reg_en.pdf

Proposal for a new “Development Cooperation Instrument (DCI)”

The DCI covers, through its different programmes all the developing countries except the countries eligible for the Pre-Accession Instrument. The geographic programmes under the DCI cover developing countries in Asia, Central Asia, Middle East, Latin America, and South Africa.

Objectives and general principles of the DCI have been formulated in line with the Lisbon Treaty and the latest policies, notably the 'Agenda for Change' of EU development policy adopted last October 2011. It will focus on combating poverty. It will also contribute to the achievement of other objectives of EU external action, in particular fostering sustainable economic, social and environmental development as well as promoting democracy, the rule of law, good governance and respect for human rights.

The main elements of the future DCI are:

- *Geographic programmes*: they will support bilateral and regional cooperation with developing countries (outside those covered by the ENI, IPA and the EDF).

Thematic programmes are reduced to just two:

- *'Global public goods and challenges'*: this programme should address the main global public goods and challenges, notably climate change, environment, energy, human development, food security and migration while ensuring coherence with the poverty reduction objective. No less than 25% of this programme will be spent on climate change and environment objectives. At least 20% of the programme will support social inclusion and human development.
- *'Civil society organisations and local authorities'*: this programme will provide greater support to civil society and local authorities to encourage these actors to play a bigger role in development strategies.
- The DCI will also include a *new Pan-African programme* to support the implementation of Joint Africa-Europe Strategy. This programme will complement other financial instruments which are applied in Africa (in particular ENI and EDF) and will support activities of trans-regional and continental nature in Africa and also specific initiatives.

A differentiated approach

The approach of differentiation will reflect needs, capacities and performance of partner countries and targets EU development cooperation where it can have most impact: The countries most in need, in particular the least developed countries, low income countries and countries in crisis, post-crisis, fragile and vulnerable situation, will be given priority.

Budget

The proposed budget for the new DCI is €23,295 million for the period 2014 - 2020.

Further information on the EU External assistance:

http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm
http://ec.europa.eu/europeaid/how/finance/mff/myths-eu-budget_financial-instruments_en.htm

The full text of the proposal is available at the following web site:

http://ec.europa.eu/europeaid/how/finance/documents/prop_reg_instrument_dev_coop_en.pdf



European Development Fund (EDF)

The 11th EDF (2014-2020) will remain outside the EU budget; however, the proposals and negotiation will take place in parallel to ensure consistency.

The EDF will continue to cover cooperation with African, Caribbean and Pacific Countries (ACPs) and Overseas Countries and Territories (OCTs).

Only minor modifications are proposed compared to the 10th EDF (2008-2013). Mainly, Member States' contributions keys to the fund will be further aligned with the keys used for the EU budget.

Furthermore, the next EDF will integrate elements to ensure more flexibility and fast reaction in case of unexpected events. Regional envelope will include non-programmable allocations to cover unforeseen needs with a regional dimension. A future shock-absorbing scheme will be set up which will help ACP countries to mitigate the short-term effects of exogenous shocks.

The future proposal is only the first step of the 11th EDF package. It will be followed in the course of 2012 by a Commission proposal for the 11th EDF implementing regulation which will entail provisions on aid programming and implementation.

Proposal for a new “Partnership Instrument (PI)”

The Partnership Instrument is the **major innovation** of the 2014-2020 external instruments package. It will be also a key external policy tool.

The PI would allow the EU to pursue agendas beyond development cooperation.

It will have a global reach with a particular focus on:

- industrialised countries**
- emerging economies** (aimed at strengthening the dialogue with countries like India, China and Brazil)
- countries where the EU** has significant interests.

It could also underpin new relationships with countries graduating from bilateral development cooperation.

the Partnership Instrument will support a wide range of actions:

- tackling climate change
- protecting intellectual property rights

- fighting organised crime and piracy
- protecting the environment
- increasing market access
- ensuring energy security

Budget

The proposed budget for the new PI is €1,131 million for the period 2014 - 2020.

The full text of the proposal is available at the following web site:

http://ec.europa.eu/europeaid/how/finance/documents/prop_reg_partnership_instrument_en.pdf

Multiannual Financial Framework 2014-2020

http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm

Proposal for a new “Instrument for Greenland”

This proposal of a revised partnership recognises the emerging international awareness towards Greenland and its geostrategic importance.

The partnership allows for moving Greenland towards a diversified economy, for an increased focus on policy dialogue in areas of increased global importance.

The areas of cooperation of the partnership would be:

- education and training, tourism and culture;
- natural resources, including raw materials;
- energy, climate, environment and biodiversity
- international cooperation on Arctic issues, such as Arctic Council, maritime transport and exploitation of natural resources;
- The social sector; mobility of workforce; social protection systems; food safety and food security issues;
- Research and innovation in areas such as energy, climate change, disaster resilience,
- natural resources, including raw materials, and sustainable use of living resources.

Budget

The proposed budget for the new Instrument for Greenland is €219 million for the period 2014 - 2020.

Multiannual Financial Framework 2014-2020

http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm