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DBS Gateway Region

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Funding Guidelines

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CONTENT

1	Introduction.....	9
1.1	Project description	9
1.2	The objectives and structure of the Funding Guideline	10
2	Overview of existing financing instruments.....	11
3	Description of financing instruments	15
3.1	European Investment Bank (EIB).....	15
3.1.1	Eligibility.....	15
3.1.2	Assessment and selection process	17
3.2	European Investment Fund (EIF)	18
3.2.1	JEREMIE	18
3.2.2	JESSICA.....	19
3.2.3	JASPERS.....	20
3.2.4	JASMINE.....	21
3.3	European Fund for Strategic Investments (EFSI).....	22
3.3.1	Eligibility.....	22
3.3.2	Assessment and selection process	23
3.4	COSME	24
3.4.1	Eligibility.....	24
3.4.2	Assessment and selection process	26
3.5	European Bank for Reconstruction and Development (EBRD).....	27
3.5.1	Eligibility.....	27
3.5.1	Assessment and selection process	29
3.6	Council of Europe Development Bank (CEB)	30
3.6.1	Eligibility.....	30
3.6.1	Assessment and selection process	31
3.7	KfW Development Bank	32
3.8	Western Balkans Investment Framework (WBIF)	32
3.8.1	Eligibility.....	32
3.8.2	Assessment and selection process	33
3.9	Western Balkans Enterprise Development and Innovation Facility	34
3.10	Connecting Europe Facility (CEF).....	35

3.10.1	Eligibility.....	35
3.10.2	Assessment and selection process	38
3.11	URBACT.....	38
3.11.1	Eligibility.....	39
3.11.2	Assessment and selection process	42
3.12	Urban Innovative Actions (UIA)	43
3.12.1	Eligibility.....	43
3.12.2	Assessment and selection process	45
3.13	LIFE.....	46
3.13.1	Eligibility.....	47
3.13.2	Assessment and selection process	48
3.14	Horizon 2020	49
3.14.1	Eligibility.....	50
3.14.2	Assessment and selection process	51
3.15	Customs 2020	52
3.15.1	Eligibility.....	52
3.15.2	Assessment and selection process	53
3.16	EEA and Norway grants	53
3.16.1	Eligibility.....	54
3.16.2	Assessment and selection process	56
3.17	Interreg Central Europe Programme.....	56
3.17.1	Eligibility.....	56
3.17.2	Assessment and selection process	60
3.18	Interreg Alpine Space Programme	60
3.18.1	Eligibility.....	61
3.18.1	Assessment and selection process	62
3.19	Interreg Europe Programme	63
3.19.1	Eligibility.....	63
3.19.2	Assessment and selection process	65
3.20	Interreg Balkan-Mediterranean Transnational Cooperation Programme	65
3.20.1	Eligibility.....	66
3.20.2	Assessment and selection process	67
3.21	Interreg Danube Transnational Programme	67
3.21.1	Eligibility.....	68

3.21.2	Assessment and selection process	71
3.22	Interreg MED Programme	71
3.22.1	Eligibility.....	72
3.22.2	Assessment and selection process	73
3.23	Interreg ADRION Programme	74
3.23.1	Eligibility.....	74
3.23.2	Assessment and selection process	76
3.24	Interreg V-A Austria-Germany	76
3.24.1	Eligibility.....	76
3.24.2	Assessment and selection process	79
3.25	Interreg V-A Slovakia-Hungary	79
3.25.1	Eligibility.....	80
3.25.2	Assessment and selection process	83
3.26	Interreg V-A Slovakia-Austria	83
3.26.1	Eligibility.....	84
3.26.2	Assessment and selection process	84
3.27	Interreg V-A Hungary-Croatia	85
3.27.1	Eligibility.....	85
3.27.2	Assessment and selection process	87
3.28	Interreg V-A Romania-Bulgaria.....	88
3.28.1	Eligibility.....	88
3.28.2	Assessment and selection process	89
3.29	Interreg IPA CBC Hungary-Serbia	90
3.29.1	Eligibility.....	90
3.29.2	Assessment and selection process	92
3.30	Interreg IPA CBC Romania-Serbia.....	93
3.30.1	Eligibility.....	94
3.30.2	Assessment and selection process	96
3.31	Romania-Moldova ENI CBC	96
3.31.1	Eligibility.....	96
3.31.2	Assessment and selection process	98
4	National financing instruments in the DBS Region.....	100
4.1	Austria.....	100
4.1.1	Funding of feeder lines and terminals (Anschlussbahn- und Terminalförderung). 100	

4.1.2	Innovation Programme for Combined Freight Transport (IKV).....	101
4.1.3	Mobility of the Future (Mobilität der Zukunft)	102
4.2	Bulgaria.....	103
4.2.1	Operational Programme "Transport and Transport Infrastructure" 2014-2020 (OPTTI 2014-2020)	103
4.3	Croatia	105
4.3.1	Operational Programme Competitiveness and Cohesion 2014-2020.....	105
4.4	Germany.....	107
4.4.1	Programme for Combined Transport	107
4.4.2	Schiengüterfernverkehrsnetzförderungs-gesetz (SGFFG).....	109
4.5	Hungary	109
4.5.1	IKOP 2.1.0 Improvement of international (TEN-T) waterborne and railway accessibility	109
4.5.2	GINOP 1.2.5 Development of logistics service centres	112
4.5.3	GINOP 2.1.2-8.1.4 The promotion of R&D activities of SMEs combined with refundable loan	114
4.5.4	KEHOP 1.4.0 Flood prevention developments	116
4.5.5	TOP 1.1.1 Development of industrial parks.....	117
4.6	Romania.....	118
4.6.1	Regional Operational Programme 2014-2020.....	118
4.6.2	Operational Programme for Large Infrastructure Projects	120
4.7	Serbia	123
4.7.1	Public competition in Vojvodina for the financing and co-financing of projects in the field of transport infrastructure.....	123
4.8	Slovakia.....	126
4.8.1	Operational Programme Integrated Infrastructure (OPII).....	126
5	Best practices.....	129
5.1	Austria.....	129
5.1.1	Expansion of the tri-modal inland port of Vienna by land recovery – TEN-T Multi-Annual Programme	129
5.1.2	INWAPO: Upgrading of Inland Waterway and Sea Ports – Central Europe Transnational Cooperation Programme	129
5.1.3	EMPIRIC: Enhancing Multimodal Platforms, Inland Waterways and Railway Services Integration in Central Europe – Central Europe Transnational Cooperation Programme	129
5.2	Bulgaria.....	130

5.2.1	Vessel Traffic Management Information System (VTMIS) – Operational Programme on Transport 2007-2013	130
5.2.2	Feasibility Study on the Development of the Port Community Information System (PCS) of the Bulgarian Ports – Operational Programme on Transport 2014-2020	131
5.2.3	Implementation of River Information System in the Bulgarian stretch of the Danube River (BULRIS) – Operational Programme on Transport 2007-2013	131
5.3	Croatia	132
5.3.1	Construction and modernization of port facilities in inland waterways (Port of Osijek) – Operational Programme Competitiveness and Cohesion 2014-2020.....	133
5.3.2	Infrastructure upgrading and the development of terminals and supporting facilities in the Port of Slavonski Brod – CEF.....	134
5.3.3	COvention for WAste Management for Inland Navigation on the Danube (CO-WANDA) – South East Europe Cooperation Programme 2007-2013	134
5.4	Germany	135
5.4.1	Danube STREAM: Smart, Integrated and Harmonised Waterway Management – DTP	135
5.4.2	Improvement to rail traffic accessibility in the European Core Network Port of Regensburg – CEF	135
5.4.3	GREEN DANUBE: Integrated transnational policies and practical solutions for an environmentally friendly inland water transport system in the Danube region – DTP	135
5.5	Hungary	136
5.5.1	KÖZOP-4.5.0-09-11-2012-0003 Implementation Phase – KÖZOP-4.5.0-09	136
5.5.2	IKOP-2.1.0-15-2016-00025 – Mobile dam project in the Freeport of Budapest....	137
5.5.3	PAN-LNG-4-DANUBE project – CEF.....	138
5.6	Romania.....	138
5.6.1	Danube Inland Harbour Development – DaHar – T.C.P. SEE 2007-2013	139
5.6.2	The modernization of the Otelarilor, Stadionului, Frunzei and Gheorghe Asachi streets in Galati city – Regional Operational Programme 2007-2013	139
5.6.3	CODENAV (Collecting system for ship-generated waste discharged in maritime Danube Ports) – National Operational Programme for Transport.....	139
5.7	Serbia	140
5.7.1	Implementation of River Information Services in Serbia – Pre-Accession Assistance (IPA) National Programme 2007	140
5.7.2	NEWADA – South-East Europe Transnational Cooperation Programme 2007-2013	141
5.7.3	DaHar (Danube Inland Harbour Development) – South-East Europe Transnational Cooperation Programme 2007-2013.....	141
5.8	Slovakia.....	142

5.8.1	RIS COMEX: RIS Corridor Management Execution – CEF	142
5.8.2	Danube Ports Network (DAPhNE) – Danube Transnational Programme	142
5.8.3	Safety project and Emergency plan of the Public Port of Bratislava – OPII	143

1 Introduction

1.1 Project description

With the expansion of the EU, the borders were opened to reunite the historical Danube region. The emergence of new markets resulted in raised road transport flows which not only restrain further economic development but have other detrimental effects on the region, too.

The **DTP1-1-050-3.1 DBS Gateway Region – Regional and Transport Development in the Danube-Black Sea Region towards a Transnational Multiport Gateway Region** project's main objective is to support the Danube-Black Sea Region to become an attractive gateway region for eco-friendly, preferably maritime and inland waterway transport between Central Europe and the Black Sea, the Caspian region and the Far East, by facilitating cooperation between the regions, ports and other key actors. Their joint efforts will improve the accessibility of both the ports and the regions and strengthen interoperability between maritime and inland waterways as well as with their hinterlands. Together with raising the awareness about the possibilities of intermodal transport, this will lead to shifting existing and attracting new cargo flows to environmentally friendly transport systems.

Currently, the aging infrastructure and inefficient intermodal services limit the potential of the water transport system. The multitude of private companies in a fragmented market cannot be expected to be promoters of an intermodal network system that leads to higher efficiency at macro-level rather than the level of the firm. The project partners believe that the cooperation of public authorities, ports and their related associations is a key factor to raise the quality, reliability and efficiency of the waterway transport system.

However, cooperation in itself will not lead to the envisaged results. It needs to be elevated to a well-informed, well-prepared, well-focused and well-supported level. The specific objectives of the project accommodate this fact:

1. The project aims at creating a basis for cooperation between the relevant stakeholders in order to be able to work together toward the development of the DBS Gateway Region.
2. Through the increased attractiveness of the waterway transport system, it aims at providing the preconditions for the region to take over the envisaged role as the DBS Gateway Region.
3. In order to be able to further develop and actively promote the DBS Gateway Region beyond the lifetime of the project, the project aims at facilitating long-term cooperation between all key actors within an institutionalised Cooperation Platform.

Based on these goals and objectives, several strategies and plans will be developed:

- **Potential analysis**
The potential analysis will be the basis for the Joint Vision 2040 and gives an overview of the existing and future market potentials. Relevant information from existing studies is gathered, harmonized in terms of indicators, actuality and data quality. The analysis builds on the outputs of projects like DaHar, GIFT, INWAPO, ADB, EMPIRIC and others.
- **Joint Vision 2040**
The Joint Vision 2040 is based on the Potential analysis and describes the economic, regional and logistics development targeted for the DBS Gateway Region. It is an aspirational description of what

the region would like to achieve or accomplish in the mid-term or long-term future. It will serve as a guide for choosing current and future courses of action.

- **Road map**

The Road map consists of measures suitable to reach the Joint Vision 2040 and aims at turning the DBS Region into an attractive gateway region for maritime and inland waterway transport. It will be a basis for future cooperation and increase the attractiveness of the water transport system.

- **Regional action plans**

Each participating region will work on concrete actions feasible to tackle the relevant challenges and provide the standards set in the Road map. Timelines, responsibilities and the necessary steps to be taken will be defined for each action.

- **Cooperation Platform**

The Cooperation Platform will ensure long-term commitment, continuous promotion and active engagement for the incorporation of the project's recommendations after project completion. The platform will offer transferability of the know-how acquired within the project through trainings and monitor the implementation of the projects. It will facilitate funding for necessary activities within the Road map, ensure the durability and sustainability of the project results and enhance further development steps toward the realization of the Joint Vision 2040.

1.2 The objectives and structure of the Funding Guideline

It can be generally noted that the implementation of development projects often lags behind due to a lack of knowledge about the existing financial instruments (FIs) and how to apply for them. There is information about the relevant funding schemes on the internet but no overview and guidance for specific projects looking for financial aid. This Funding Guideline (FG) will cover some relevant funding schemes on European and national level, with a particular focus on waterway transport. It only includes institutions and programmes which are relevant to the partner countries and the topic: the content was suggested by the partners, drawing from their experiences and narrowing the list of possibilities for the most useful and relevant FIs.

On the European level, the guideline will discuss institutions that do not finance projects directly but are especially relevant to the topic, and also specific financial instruments offering direct funding opportunities. The sequence of the FIs are designed to logically connect them to each other since some of the development banks are responsible for several different funds, for example. On the national level, all of the partners conducted a thorough research in their own country about the available financial resources and provided short summaries about them in English. The guideline includes concrete examples and good practices, where they were available, to easily demonstrate the potential project opportunities through already accepted and successfully implemented actions.

As the current descriptions refer to the 2014-2020 programming period, changes will probably occur later. In order to ensure that this guideline is not short-lived but permanently accessible to the partner countries, it is recommended to periodically update its contents within the framework of the Cooperation Platform. The strategy for establishing the platform will contain details about this task.

2 Overview of existing financing instruments

To make the individual FIs more transparent and clear, three tables summarize the gathered information about them:

- the first one contains all of the FIs with the types of financial aid provided by them and their regional focus (e.g. EU, non-EU);
 - Loan – The lending of money to individual projects/organizations, with interest rates, normally on a semi-annual or annual basis of repayment.
 - Grant – Non-refundable co-financing of an individual project.
 - Equity finance – A method of raising funds to meet the liquidity needs of an organization by selling a company's stock in exchange for cash.
 - Guarantee – An undertaking to answer for the payment or performance of another person's debt or obligation in the event of a default by the person primarily responsible for it.
 - Investment – Investment banking is a special segment of banking operations that helps organizations raise capital and provides financial consultancy services to them. It can also cover some of the methods defined above (loans, grants, etc.).
- the second can be used by readers to familiarize themselves with the slightly differing thematic focus of every FI (intermodal transport, environment, SMEs, etc.);
- and the third will be helpful to any organization from the partner countries that wants to check the FIs specific to their geographic region to avoid non-eligibility issues based on their country of origin.

To summarize, if a Slovakian port authority would like to implement a project concerning intermodal transport (by rearranging the modal split in favour of waterways) and is looking for temporary loans to finance it, by checking the three tables, the project manager can conclude that the following international FIs can be used: the European Investment Bank, JASPERS (for technical assistance), the Connecting Europe Facility and Horizon 2020.

1 The types and geographical areas of the FIs (by the author)

Financing instrument	Types of financial support					Region/Country
	Loan	Grant	Equity finance	Guarantees	Investments	
European Investment Bank (EIB)	X		X	X		Non-EU and EU
European Investment Fund (EIF)	X		X	X		Non-EU and EU
JEREMIE	X		X	X		EU
JESSICA	X		X	X		EU
JASPERS	providing technical assistance					EU
JASMINE						EU
European Fund for Strategic Investments (EFSI)	X		X	X	X	Non-EU and EU
COSME	X	X		X	X	Non-EU and EU
European Bank for Reconstruction and Development (EBRD)	X		X	X		Non-EU and EU
Council of Europe Development Bank (CEB)	X	X		X		Non-EU and EU
KfW Development Bank	X	X				Non-EU
Western Balkans Investment Framework (WBIF)	X	X				Non-EU
Western Balkans Enterprise Development and Innovation Facility (WB EDIF)	X		X			Non-EU and EU

Financing instrument	Types of financial support					Region/Country
	Loan	Grant	Equity finance	Guarantees	Investments	
Connecting Europe Facility (CEF)	X	X		X		Non-EU and EU
URBACT		X				EU
Urban Innovative Actions (UIA)		X				EU
LIFE		X				EU
Horizon 2020	X	X		X	X	Non-EU and EU
Customs 2020		X				Non-EU and EU
EEA and Norway grants		X				Non-EU and EU
Interreg Central Europe Programme		X				EU
Interreg Alpine Space Programme		X				EU
Interreg Europe Programme		X				Non-EU and EU
Interreg Balkan-Mediterranean Transnational Cooperation Programme		X				Non-EU and EU
Interreg Danube Transnational Programme		X				Non-EU and EU
Interreg MED Programme		X				Non-EU and EU
Interreg ADRION Programme		X				Non-EU and EU
Interreg V-A Austria-Germany		X				EU
Interreg V-A Slovakia-Hungary		X				EU
Interreg V-A Slovakia-Austria		X				EU
Interreg V-A Hungary-Croatia		X				EU
Interreg V-A Romania-Bulgaria		X				EU
Interreg IPA CBC Hungary-Serbia		X				Non-EU and EU
Interreg IPA CBC Romania-Serbia		X				Non-EU and EU
Romania-Moldova ENI CBC		X				Non-EU and EU
Funding of feeder-lines and terminals (Anschlussbahnen- und Terminalförderung)		X				AT
Innovation Programme for Combined Freight Transport (IKV)		X				AT
Mobility of the Future (Mobilität der Zukunft)		X				AT
Operational Programme "Transport and Transport Infrastructure" 2014-2020		X				BG
Operational Programme Competitiveness and Cohesion 2014-2020		X				HR
Programme for Combined Transport		X				DE
Schienengüterfernverkehrsnetzförderungs-gesetz (SGFFG)		X				DE
IKOP 2.1.0 Improvement of international (TEN-T) waterborne and railway accessibility		X				HU
GINOP 1.2.5 Development of logistics service centres		X				HU
GINOP 2.1.2-8.1.4 The promotion of R&D activities of SMEs combined with refundable loan	X	X				HU
KEHOP 1.4.0 Flood prevention developments		X				HU
TOP 1.1.1 Development of industrial parks		X				HU
Regional Operational Programme 2014-2020		X				RO
Operational Programme for Large Infrastructure Projects		X				RO
Public competition in Vojvodina for the financing and co-financing of projects in the field of transport infrastructure		X				RS
Operational Programme Integrated Infrastructure (OPII)		X				SK

2 The main topics of the FIs (by the author)

Financing instrument	Intermodal transport	Inland waterways	Infrastructure	Energy	Environment	Transport	Social infrastructure	Private sector development	New economic possibilities	Sustainable economic recovery	SM Es	Customs
European Investment Bank (EIB)	X	X	X	X	X	X	X	X	X	X	X	
European Investment Fund (EIF)											X	
JEREMIE											X	
JESSICA			X	X	X	X	X	X			X	
JASPERS	X	X	X	X	X	X	X					
JASMINE								X	X			
European Fund for Strategic Investments (EFSI)			X	X	X	X	X	X	X	X	X	
COSME								X	X	X	X	
European Bank for Reconstruction and Development (EBRD)			X				X	X	X	X	X	
Council of Europe Development Bank (CEB)				X	X	X	X	X			X	
KfW Development Bank			X	X	X	X	X		X	X		
Western Balkans Investment Framework (WBIF)	X	X	X	X	X	X	X	X			X	
Western Balkans Enterprise Development and Innovation Facility (WB EDIF)								X	X	X	X	
Connecting Europe Facility (CEF)	X	X	X	X	X	X						
URBACT	X			X	X	X	X	X	X		X	
Urban Innovative Actions (UIA)	X		X	X	X	X	X		X			
LIFE				X	X							
Horizon 2020	X	X	X	X	X	X	X	X	X	X	X	
Customs 2020												X
EEA and Norway grants				X	X		X	X	X	X		
Interreg Central Europe Programme	X	X	X	X	X	X	X	X	X		X	
Interreg Alpine Space Programme			X	X	X	X	X	X	X			
Interreg Europe Programme				X	X	X			X		X	
Interreg Balkan-Mediterranean Transnational Cooperation Programme				X	X			X	X		X	
Interreg Danube Transnational Programme	X	X		X	X	X	X	X	X	X		
Interreg MED Programme				X	X	X		X	X	X		
Interreg ADRIION Programme	X	X	X	X	X	X		X	X	X		
Interreg V-A Austria-Germany				X	X			X	X		X	
Interreg V-A Slovakia-Hungary	X	X	X	X	X	X	X	X	X		X	
Interreg V-A Slovakia-Austria					X	X		X	X		X	
Interreg V-A Hungary-Croatia			X		X	X	X	X	X	X	X	
Interreg V-A Romania-Bulgaria	X	X	X	X	X	X	X					
Interreg IPA CBC Hungary-Serbia			X		X	X	X					
Interreg IPA CBC Romania-Serbia			X	X	X	X	X					
Romania-Moldova ENI CBC			X		X	X	X	X	X			X

3 Potential FIs for the partner countries (by the author)

Financing instrument	Austria	Hungary	Croatia	Bulgaria	Slovakia	Romania	Serbia	Germany	Moldova	Ukraine
European Investment Bank (EIB)	X	X	X	X	X	X	X	X	X	X
European Investment Fund (EIF)	X	X	X	X	X	X	X	X	X	X
JEREMIE	X	X	X	X	X	X		X		
JESSICA	X	X	X	X	X	X		X		
JASPERS	X	X	X	X	X	X		X		
JASMINE	X	X	X	X	X	X		X		
European Fund for Strategic Investments (EFSI)	X	X	X	X	X	X	X	X	X	X
COSME	X	X	X	X	X	X	X	X	X	X
European Bank for Reconstruction and Development (EBRD)		X	X	X	X	X	X		X	X
Council of Europe Development Bank (CEB)		X	X	X	X	X	X	X	X	
KfW Development Bank							X		X	X
Western Balkans Investment Framework (WBIF)							X			
Western Balkans Enterprise Development and Innovation Facility (WB EDIF)			X				X			
Connecting Europe Facility (CEF)	X	X	X	X	X	X		X		
URBACT	X	X	X	X	X	X		X		
Urban Innovative Actions (UIA)	X	X	X	X	X	X		X		
LIFE	X	X	X	X	X	X	X	X	X	X
Horizon 2020	X	X	X	X	X	X	X	X	X	X
Customs 2020	X	X	X	X	X	X	X	X		
EEA and Norway grants		X	X	X	X	X	X		X	X
Interreg Central Europe Programme	X	X	X		X			X		
Interreg Alpine Space Programme	X							X		
Interreg Europe Programme	X	X	X	X	X	X		X		
Interreg Balkan-Mediterranean Transnational Cooperation Programme				X						
Interreg Danube Transnational Programme	X	X	X	X	X	X	X	X	X	X
Interreg MED Programme			X							
Interreg ADRION Programme			X				X			
Interreg V-A Austria-Germany	X							X		
Interreg V-A Slovakia-Hungary		X			X					
Interreg V-A Slovakia-Austria	X				X					
Interreg V-A Hungary-Croatia		X	X							
Interreg V-A Romania-Bulgaria				X		X				
Interreg IPA CBC Hungary-Serbia		X					X			
Interreg IPA CBC Romania-Serbia						X	X			
Romania-Moldova ENI CBC						X			X	

3 Description of financing instruments

For presenting the following inter-, transnational and cross-border financing instruments, the guideline has sought an easy-to-understand structure. **The goal is to include in one place the basic information needed for regions, cities and ports and associated service providers, to help them find the right FI for a given project.** Therefore, during the introduction of each instrument, the focus was on the characteristics that are specifically related to this particular field/sector (for example, instead of describing all possible priorities, the FG only details the ones in which a port can realistically apply, etc.). After briefly examining the relevant FI (i.e. main objective, total budget), generally the following subheadings will be present: **geographical eligibility, eligible sectors and activities** (e.g. what are the topics and under what conditions can someone apply) **and assessment and selection process.**

In the first half of the main chapter, the relevant financial institutions, funds and banks are analysed. Not all of them provide direct funding so in some of these subchapters, the above-mentioned subheadings are not viable, but the guideline strives to be as clear and transparent in the descriptions as possible and also provides hyperlinks for further research. In the second half of the chapter, the 'traditional' financing instruments are presented exclusively by using the structure outlined in the previous paragraph.

3.1 European Investment Bank (EIB)

The [EIB](#)¹ is the European Union's bank – the only bank owned by and representing the interests of the Member States, the world's largest multilateral borrower and lender. It provides:

- lending (loans, guarantees, microfinance, equity investment, etc.) – usually project loans for large developments in excess of €25 million, but also venture capital through the [European Investment Fund](#);
- blending (its support unlocks financing from other sources to form a full financing package) – mostly guarantees helping projects attract new investors;
- and advising (administrative and project management) – through [JASPERS](#), ESIF, etc.

It only support projects that make a **significant contribution to growth and employment in Europe**. All the projects must be bankable, but they also must comply with strict technical, environmental and social standards. The annual lending neared €45 billion in the mid-2000s before jumping to €79 billion in 2009 as a temporary response to the crisis – it was **€76.358 billion in 2016**.

3.1.1 Eligibility

3.1.1.1 Geographical eligibility

The EIB is active both inside and outside the EU, but the majority of lending is attributed to promoters in the EU countries (about 90% of the total volume). Other beneficiaries can be from:

- the Enlargement region (Albania, Macedonia, Montenegro, Serbia, Turkey, Bosnia-Herzegovina, Kosovo);
- the European Free Trade Association (Iceland, Liechtenstein, Norway, Switzerland);
- the Mediterranean (Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, Tunisia);

¹ The EIB Group consists of the European Investment Bank and the European Investment Fund.

- the Eastern neighbours (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia, Ukraine);
- Latin America (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela);
- Asia (Bangladesh, Bhutan, Brunei, Cambodia, China, India, Indonesia, Iraq, Kazakhstan, Kyrgyzstan, Laos, Malaysia, the Maldives, Mongolia, Myanmar/Burma, Nepal, Pakistan, the Philippines, Singapore, South Korea, Sri Lanka, Thailand, Tajikistan, Turkmenistan, Uzbekistan, Vietnam, Yemen);
- and also, sub-Saharan Africa, South Africa, the Caribbean and the Pacific, and the Overseas Countries and Territories.

3.1.1.2 Eligible sector and activities

EIB activities focus on four priority areas:

1. **Innovation and skills** – In 2017, EIB supported innovation and skills with €13.8 billion; among other things, this enabled 7.4 million very high speed digital connections. In addition, they helped to install 36.8 million smart meters.
2. **Access to finance for smaller businesses** – In 2017 alone, the EIB Group financed SMEs and mid-caps across the globe to the tune of a record €29.6 billion. They supported 285,800 smaller companies, which employ 3.9 million people.
3. **Infrastructure** – In 2017, the EIB provided €18 billion to support infrastructure projects; they powered 10.4 million households and helped to construct or upgrade 76,500 km of power lines.
4. **Climate and environment** – EIB commits more than 25% of its total financing to climate change adaptation and mitigation. In 2017, the EU bank financed €16.7 billion in projects for the natural and human environment, which includes biodiversity, clear air/water, sustainable transport, renewable energy and energy efficiency.

The Bank supports sectors that make a significant contribution to growth, employment, regional cohesion and environmental sustainability in Europe and beyond.

- Agriculture, food and rural development
- Digital economy
- Education and training
- **Energy** – This can involve improving and upgrading the energy values of urban transport.
- Forestry
- Health and life sciences
- Regional development
- **Trans-European Networks** – Smooth transport links are needed to give life to Europe’s single market of 500 million consumers. Trans-European transport links increase the potential to generate trade, foster economic growth and boost competitiveness. It includes both interconnection and interoperability, mainly for transport and energy, but also Information and Communications Technology (ICT).
- **Transport** – This is the most relevant area for the purpose of this guide – the largest sector in which the European Investment Bank has been active since its foundation. The EIB finances urban mobility, rail, aviation, maritime and road projects that are climate-friendly, safe, sustainable and innovative. This involves a wide range of project types across the transport sector, including the construction and rehabilitation/extension of ports and logistic centres, inland water transport projects

(rehabilitating/expanding waterways, inland ports) and the acquisition of new vessels to either extend fleet capacity or replace older vessels.

- Urban agenda
- Water and wastewater management

3.1.1.3 Eligible costs

The loans can cover up to 50% of the total cost for both public and private sector promoters, but on average this share is about one-third. SMEs (with fewer than 250 employees), mid-caps (with 250-3,000 employees) and local public authorities receive intermediated loans costing up to €25 million (and occasionally €50 million).²

The EIB provides loans running from approximately four to twenty years, depending on the economic life of the assets to be financed. It does not publish information on the financing terms and conditions, but no special formalities are involved for the submission of applications to the EIB for individual loans. Project promoters are required simply to provide the Bank's Operations Directorate with a detailed description of their capital investment together with the prospective financing arrangements. Certain costs, such as recoverable VAT, are excluded.

Concerning the financial data, the following information are needed:

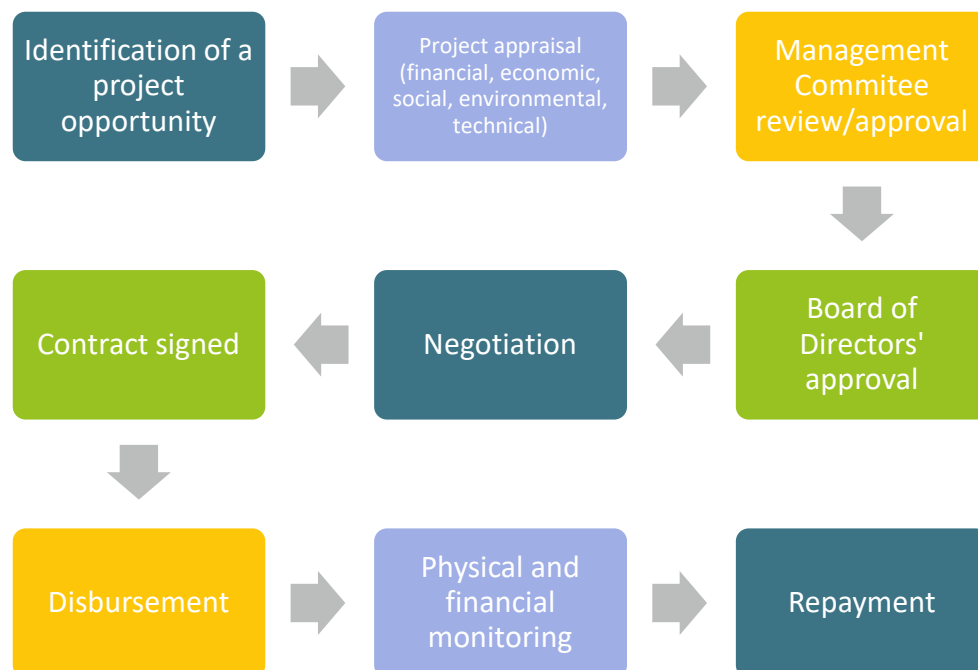
- the breakdown of the project's operating and maintenance costs, depreciation and overheads;
- the financing plan for the project and the schedule of projected expenditures;
- the projected cashflows, balance sheets, profit and loss accounts, until the project is expected to come fully on stream;
- the estimate of the project's working capital requirements over time;
- the calculation of the project's IRR (Internal Rate of Return);
- and the security and guarantees offered.

3.1.2 Assessment and selection process

An EIB appraisal procedure can take anywhere between 6 weeks and 18 months depending on the project's scope, the degree of complication of an operation and the efficiency of the appraisal process. It is carried out by the Bank's teams of engineers, economists and financial analysts, in close cooperation with the promoter. Criteria are typically tailored to each specific project. A report then goes from the Management Committee to the Board of Directors, who meet 10 times per year, for a final decision. Once they approve, the loan can be drawn down in one or more instalments according to borrower requirements.

² Local public authorities can also access urban development technical assistance through the [JESSICA](#) programme and can maximise investment for sustainable energy via the ELENA scheme. New EU Member States can receive infrastructure project advice under the [JASPERS](#) programme.

4 EIB Project cycle (EIB website)



3.2 European Investment Fund (EIF)

The [EIF](#) was founded by the European Investment Bank in 1994 to specialise in **SME and venture capital investment**. The EIB is the majority shareholder, supported by the European Commission and private banks. By taking SME risk, the EIF pursues two main statutory objectives:

- fostering EU priorities, notably in the field of entrepreneurship, growth, innovation, R&D, employment and regional development;
- and generating an appropriate return for the shareholders through a commercial pricing policy and a balance of fee and risk-based income.

EIF does not lend money to SMEs directly, rather it provides finance through private banks and funds; some of them will be discussed in the next chapters. Its main rules are coinciding with the [EIB regulations](#), the only difference being the focus on SMEs.

3.2.1 JEREMIE

Four joint initiatives were developed by the European Commission in cooperation with the EIB Group and other financial institutions in order to make the EU's cohesion policy more efficient and sustainable. Two of them refer to the promotion of financial engineering instruments (JEREMIE and [JESSICA](#)) and the other two ([JASPERS](#) and [JASMINE](#)) operate as technical assistance facilities.

[JEREMIE](#) (Joint European Resources for Micro to Medium Enterprises) is a joint initiative set up in 2007 by the European Commission's Directorate-General for Regional and Urban Policy in co-operation with the EIB Group and other financial institutions to enhance cohesion across the EU. The instrument deploys part of the EU Structural Funds allocated to the regional and national Managing Authorities through new **risk finance initiatives for SMEs**. In this regard, JEREMIE is a predecessor to the current ESIF-backed programmes managed by EIF under the new 2014-2020 programming period.

Contributions from the ERDF are allocated to loan, guarantee or venture capital funds to invest in enterprises. These investments can take the form of equity, loans and/or guarantees. The returns from the investments are reinvested in enterprises; in this way, a pool of funds can be reused several times, recycling public funds, leveraging capital and increasing the sustainability and the impact of public resources allocated to SMEs. Alternatively, MAs can decide to channel resources from the programme using Holding Funds (HFs) which are set up to invest in several investment funds. This is not compulsory but does offer the advantage of enabling MAs to delegate some of the tasks required to implement JEREMIE to expert professionals.

At the end of **2015**, EIF managed 13 JEREMIE HFs for a total of **€1.1 billion**, involving 50 financial intermediaries and resulting in 84 transactions. During 2015, additional commitments were made to the Holding Funds in Romania (€75 million) and Slovakia (€40 million) with the implementation period of the financial instruments being extended.

JEREMIE basically offers EU Member States – through their national or regional MAs and financial intermediaries – the following opportunities regarding SMEs:

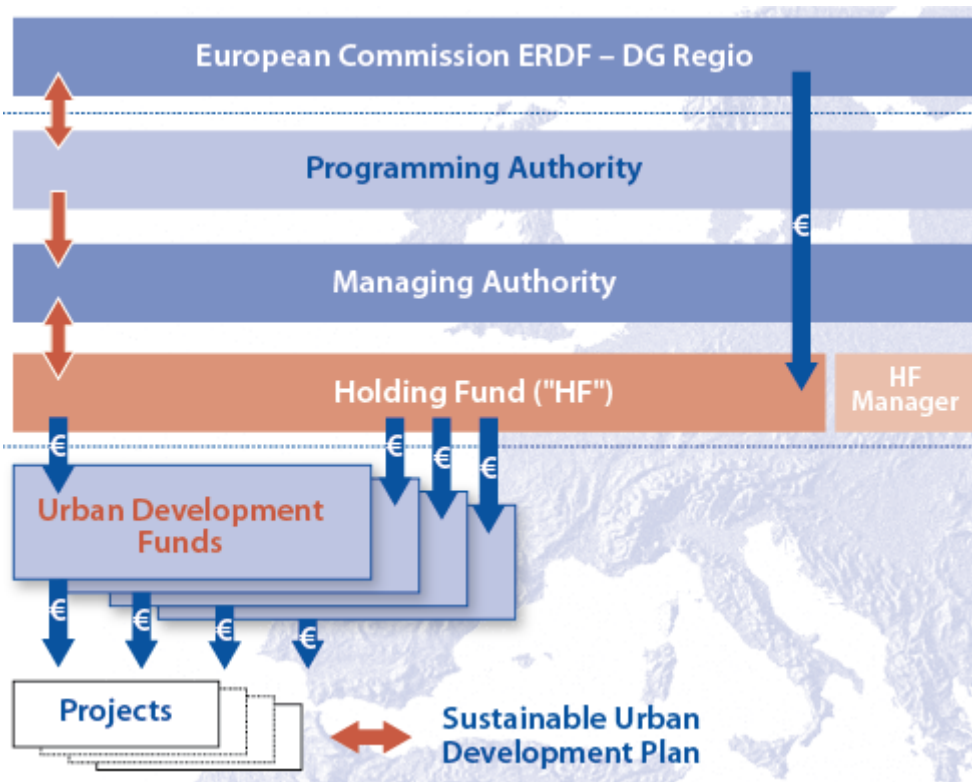
- creating a new business or expanding existing ones;
- accessing investment capital to modernize and diversify their activities, develop new products, secure and expand market access;
- supporting business-oriented research and development, technology transfer, innovation and entrepreneurship;
- technologically modernizing productive structures to help reach low carbon economy targets;
- and making productive investments which create and safeguard sustainable jobs.

3.2.2 JESSICA

JESSICA (Joint European Support for Sustainable Investment in City Areas) is an initiative of the European Commission developed in cooperation with the EIB and the [Council of Europe Development Bank \(CEB\)](#). It supports **sustainable urban development and regeneration** through financial engineering mechanisms. EU countries can choose to invest some of their EU structural fund allocations in revolving funds to help recycle financial resources to accelerate investment in Europe's urban areas.

Contributions from the ERDF are allocated to Urban Development Funds (UDFs) which invest them in public-private partnerships or other projects included in an integrated plan for sustainable urban development. These investments can take the form of equity, loans and/or guarantees. Alternatively, MAs can decide to channel funds to UDFs using Holding Funds (HFs) which are set up to invest in several UDFs. This is not compulsory but does offer the advantage of enabling MAs to delegate some of the tasks required to implement JESSICA to expert professionals. Owing to the revolving nature of the instruments, the returns from investments are reinvested in new urban development projects, thereby recycling public funds and promoting the sustainability and impact of EU and national public money.

5 The organizational structure of JESSICA (EIB website)



JESSICA promotes sustainable urban mobility by supporting projects in the following areas:

- urban infrastructure, including **transport**, water/waste water and energy;
- heritage or cultural sites for tourism or other sustainable uses;
- the redevelopment of brownfield sites, including site clearance and decontamination;
- the creation of new commercial floor space for SMEs, IT and/or R&D sectors;
- university buildings (medical, biotech and other specialized facilities);
- and **energy efficiency improvements**.

3.2.3 JASPERS

JASPERS (Joint Assistance to Support Projects in European Regions) is a **technical assistance** partnership between three partners (the European Commission, the EIB and the **European Bank for Reconstruction and Development** – the Commission provides funds which are used to recruit specialist staff while the other partners contribute by seconding staff directly).

JASPERS provides **independent advice** to beneficiary countries to help prepare high quality major projects to be co-financed by two EU Structural and Investment Funds (the ERDF and the Cohesion Fund). The assistance is free of charge for local authorities and promoters and may cover project preparation support, Independent Quality Reviews, post-submission appraisals, horizontal assignments and strategic support, capacity building, implementation support, **CEF** projects and the European Investment Advisory Hub (EIAH) through screening and handling requests. Potential beneficiaries should contact the MA responsible for coordinating EU Structural Funds in their country for information.

JASPERS's staff is based at the EIB in Luxembourg but it also has three regional centers in Warsaw, Vienna and Bucharest where about 70% of its staff works so that they are close to the beneficiaries and can offer a more efficient service. Warsaw covers Poland, Estonia, Latvia and Lithuania, Vienna covers the Czech Republic, Hungary, Slovakia, Slovenia and Malta, while Bucharest covers Romania and Bulgaria. The experts in Luxembourg can work in any of the beneficiary Member States.

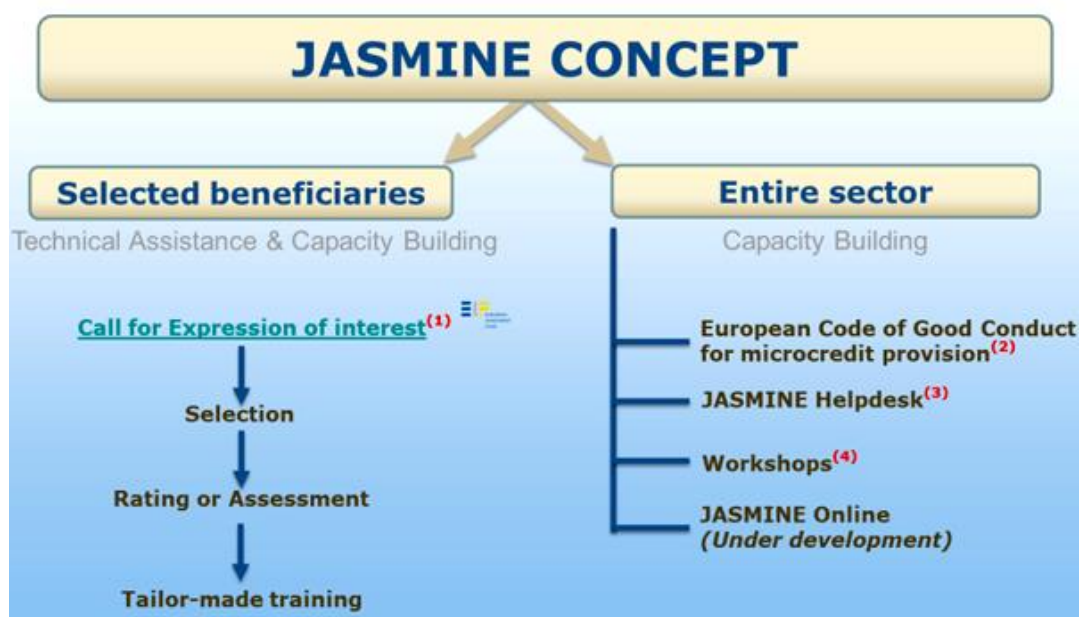
JASPERS is organized into 5 sectors:

- Roads
- **Rail, Air and Maritime** – A country's transport system must make sense as a whole. Rail, air and maritime routes should complement or supersede the road network to improve the seamless movement of people and freight, both on national territory and beyond. Last but not least, they generate trade, promote tourism, create jobs and facilitate integration into the global economy. Investments can be amongst the largest and most regulated a country ever has to make. JASPERS can help prepare projects to **build or upgrade ports and airports and improve inland waterways** to increase passenger and freight capacity and complement the overall transport infrastructure.
- Water and Waste
- Energy and Solid Waste
- Smart Development

3.2.4 JASMINE

JASMINE (Joint Action to Support Microfinance Institutions) is a joint initiative of the Commission, the EIB and the EIF. This action in the field of microcredit was developed in the framework of **JEREMIE**. It aims to make small loans, or **microcredit**, more widely available in Europe by improving access to finance for small businesses and for socially excluded people and ethnic minorities, who want to become self-employed. The main targets are non-bank financial institutions and licensed banks active in the European Union (who later can give small loans to other beneficiaries, like ports).

6 The JASMINE concept (EU website)





JASMINE's objective is to:

- disseminate good practices in the EU regarding microcredit lending;
- support the development of microcredit providers active in the EU in various fields such as institutional governance, information systems, risk management and strategic planning (capacity building);
- and help these intermediaries become sustainable and viable operators on commercial terms.

The selection of the beneficiaries comes from a due diligence conducted at the end of a “Call for Expression of interest” process launched by the EIF once or twice a year. The beneficiary gets free access to an institutional diagnosis, or an in-depth rating report, and up to 12 days of advisory, tailor-made consulting and training offered to both management and staff, delivered by experts, addressing any weaknesses identified during the institutional assessment.

3.3 European Fund for Strategic Investments (EFSI)

EFSI is an initiative launched jointly by the EIB Group and the European Commission; it is one of the three pillars of the Investment Plan for Europe that aims to **revive investment in strategic projects around Europe to ensure that money reaches the real economy**. Its components are a **€16 billion** guarantee **from the EU** budget, complemented by a **€5 billion** allocation of the **EIB's own capital**. The EFSI – similar to the EIF – operates through financial intermediaries.

EFSI has two components to support projects with: the **Infrastructure and Innovation Window**, deployed through the EIB, and the **SME Window**, implemented through EIF.

3.3.1 Eligibility

3.3.1.1 Geographical eligibility

As a suborganization of the EIB Group, the geographical eligibility requirements are the same (discussed [here](#)).

3.3.1.2 Eligible sector and activities

Who can apply for EFSI financing?

- Private sector entities;
- public sector entities;
- banks, national promotional banks or other financial institutions;
- funds and any other forms of collective investment vehicles;
- and investment platforms.

7 How does EIF contribute to EFSI? (EIF website)

EIF figures As of 12/04/2018

EFSI investment by sector*



About **611 000** SMEs

will benefit from EIF financing – support that will strengthen Europe's economy and create jobs

EFSI investment relative to GDP*

Darker colours signify higher investment



The eligible sector areas are the following:

- research, development and innovation;
- **development of the energy sector** (like the expansion of the use or supply of renewable energy, energy efficiency and energy savings);
- **development of the transport infrastructure, equipment and innovative technologies for transport** (like smart and sustainable urban mobility projects or projects connecting nodes to TEN-T infrastructures);
- financial support to entities having up to 3,000 employees, SMEs and small mid-cap companies;
- information and communication technologies;
- **environment and resource efficiency** (like sustainable urban and rural development);
- and human capital, culture and health.

3.3.1.3 Eligible costs

The same rules apply as discussed in [Chapter 3.1.1.3](#).

3.3.2 Assessment and selection process

To benefit from EFSI resources deployed through the EIB, the projects need to undergo the standard EIB due diligence process. This process helps to verify if the action is eligible for EIB financing. If it is and the operational department proposes that it be backed by EFSI, it will be presented to the independent Investment Committee to decide on the use of the EU-guarantee.

EFSI projects need to be:

- economically and technically sound;
- in at least one of the EFSI eligible sectors as defined in [Chapter 3.3.1.2](#);
- contributing to EU objectives, including sustainable growth and employment;
- mature enough to be bankable;
- priced in a manner commensurate with the risk taken.

Following a positive outcome of the due diligence process, projects are submitted for approval by the relevant EIB Group Governing Bodies.

3.4 COSME

COSME (Programme for the **C**ompetitiveness of Enterprises and **S**mall and **M**edium-sized Enterprises) is an initiative launched by the European Commission and managed by the EIF and the Executive Agency for Small and Medium-sized Enterprises (EASME). It is running from 2014 to 2020, with a planned budget of **€2.3 billion**. COSME supports:

- better access to finance for SMEs;
- access to markets for SMEs;
- entrepreneurship;
- and more favourable conditions for business creation and growth.

The programme pursues these objectives through two financial instruments:

1. The **Loan Guarantee Facility** provides guarantees and counter-guarantees to financial institutions (e.g. banks, leasing companies) so they can provide more finance to SMEs.
2. The **Equity Facility for Growth** provides risk capital to equity funds investing in SMEs mainly in the expansion and growth-stage phases.

One of the most important and helpful parts of COSME is the **Enterprise Europe Network** (EEN) – it brings together business support organizations from more than 60 countries. They are connected through powerful databases and know Europe inside out. What's more, they have been working together for years, some even for decades.

3.4.1 Eligibility

3.4.1.1 Geographical eligibility

According to the Regulation (EU) No 1287/2013, the COSME programme shall be open to the participation of:

- European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), and other European countries when agreements and procedures so allow;
- acceding countries, candidate countries and potential candidates;
- countries falling within the scope of the European neighbourhood policies, when agreements and procedures so allow.

3.4.1.2 Eligible sector and activities

The applicants must be legal entities forming a consortium. A non-exhaustive list of types of entities that can participate in the consortium includes non-profit organizations (private or public), public authorities (national, regional, local), universities or educational institutions, research centres and profit-making entities. This eligibility criterium is subject to change, according to the relevant call for proposal. Natural persons are not eligible.

Unlike in the cases of other FIs, COSME's priorities are more focused around its objectives concerning SMEs – proposals may be a subject to numerous different sectors, according to the relevant call's nature.

Actions to improve access to finance for SMEs

The programme supports actions which aim to stimulate the take-up and supply of both equity and debt finance, which may include seed funding, angel funding and quasi-equity financing subject to market demand but excluding asset stripping. Support may also be given to actions to improve cross-border and multi-country financing, thereby assisting SMEs to internationalize their activities in compliance with Union law.

Actions to improve access to markets

COSME supports actions like information provision (including through digital services) and awareness-raising. Such measures may include providing information on existing barriers to market entry and business opportunities, public procurement and customs procedures, and improving support services in terms of standards and intellectual property rights in priority third countries.

Actions to promote entrepreneurship

COSME shall contribute to promoting entrepreneurship and entrepreneurial culture by improving the framework conditions – reducing obstacles to the setting-up of enterprises or providing mobility programmes for new entrepreneurs to improve their ability to develop their entrepreneurial know-how, skills and attitudes and their technological capacity and enterprise management. Particular attention shall be paid to potential, new, young and female entrepreneurs.

Actions to improve the framework conditions for the competitiveness and sustainability of EU enterprises

These are measures to improve the design, implementation and evaluation of policies affecting the competitiveness and sustainability of enterprises: sharing good practices; promoting transnational collaboration; **developing sustainable** products, services, **technologies** and processes; or **creating resource- and energy-efficiency**, corporate social responsibility. These actions should be undertaken in areas characterized by a significant growth potential, such as the **tourism sector**.

3.4.1.3 Eligible costs

The estimated eligible costs foreseen are used to establish a budget proposal, and therefore for fixing the maximum grant amount, but they can differ from the real costs. Once the project has started, only actual incurred costs can be declared as eligible costs and claimed for reimbursement. There are four cost categories under COSME:

1. Personnel (or Staff) Costs

Personnel costs are eligible, if they are related to personnel working for the beneficiary under a written employment contract (or equivalent appointing act) and assigned to the action. They must be limited to salaries (including during parental leave), social security contributions, taxes and other costs included in the remuneration.

2. Subcontracting

Only limited parts of the action may be subcontracted. This must be based on ‘business conditions’ – the subcontractor charges a price, which usually includes a profit. The subcontractor has to work without the direct supervision of the beneficiary and cannot be hierarchically subordinate to it. Responsibility towards the EU for the subcontracted work lies fully with the beneficiary.

3. Other Direct Costs

Under this heading, EASME means travel and subsistence allowances for staff assigned to the action, and depreciation costs for equipment, infrastructure or other assets (new or second-hand).

4. Indirect costs

This budget category covers all costs for the action that are not directly linked to it. They must be calculated by applying a 7% flat-rate to the beneficiary's eligible direct costs.

The following costs are specifically not eligible:

- costs related to return on capital, interest owed, debt and debt service charges or doubtful debts;
- provision for future losses or debts;
- currency exchange losses;
- deductible VAT;
- costs declared by a beneficiary under another EU grant;
- excessive or reckless expenditure;
- costs incurred during suspension of the implementation of the action;
- bank costs charged by the beneficiary's bank for transfers from the Agency;
- in-kind contributions provided by third parties;
- costs for staff of a national (or local) administration, for activities that are part of the administration's normal activities;
- and costs (especially travel and subsistence costs) for staff or representatives of EU institutions, bodies or agencies.

3.4.2 Assessment and selection process

The selection of applicants will be based on their financial and operational capacity. Eligible applications that have passed the selection phase will enter the evaluation phase. The admission criteria are as follows:

- **Relevance (30%)** – How relevant is the application for the objectives of the call? To what extent is the access and proximity to SMEs ensured in the application?
- **Quality (30%)** – How far are the proposed activities and means appropriate, practical, and consistent with the objectives of the call? To what extent are the needs of enterprises in the area covered by the consortium? In how far is the proposed methodology based on the analyzed needs of the target group, its size and the appropriateness of the proposed services? To what extent does the project employ quality control mechanisms?
- **Impact (20%)** – To what extent does the application contain performance indicators for the outputs and outcomes of the project? To what extent is the project ambitious and realistic in terms of the

main performance indicators in the relevant country or region covered? Are the targets for these indicators clearly quantified? How effective is the project likely to be in terms of accessing regional SMEs?

- **Budget and resource availability** (20%) – Does the application commit adequate financial and human resources to implement the project in the country or region to be covered? Is the project supported and co-financed by regional budgetary authorities or national ministries in charge of SME internationalization and innovation policy? Are the expected outputs/outcomes satisfactory when compared with the estimated use of resources needed to achieve them?

In order to be considered for admission, the application will need to pass an overall threshold of 70% in terms of total score. In addition, thresholds of 50% will be applied to each of the four individual admission criteria described above in order to ensure a consistent minimum quality.

3.5 European Bank for Reconstruction and Development (EBRD)

The [European Bank for Reconstruction and Development](#) (EBRD) was founded in 1991 to create a new post-Cold War era in Central and Eastern Europe, furthering progress towards ‘**market-oriented economies and the promotion of private and entrepreneurial initiative**’. It is owned by 66 countries from five continents, as well as the European Union and the European Investment Bank. It offers financial products tailored to each client, but it is not a retail bank and do not offer commercial products such as mortgages and bank accounts.

3.5.1 Eligibility

3.5.1.1 Geographical eligibility

The EBRD invests in economies across three continents:

- Southeast Europe (Albania, Bosnia and Herzegovina, Bulgaria, Cyprus, Macedonia, Greece, Kosovo, Montenegro, Romania, Serbia);
- Central Europe and the Baltic States (Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia);
- Eastern Europe and the Caucasus (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine);
- Central Asia (Kazakhstan, Kyrgyzstan, Mongolia, Tajikistan, Turkmenistan, Uzbekistan);
- Southern and Eastern Mediterranean (Egypt, Jordan, Lebanon, Morocco, Tunisia, West Bank and Gaza);
- Russia and Turkey.

3.5.1.2 Eligible sector and activities

The Bank has a strong presence in all of the countries where it works, through a network of over 30 local offices. Each is fully involved in generating new projects and monitoring existing operations. The majority of EBRD staff come from the private sector and combine sector expertise with in-depth knowledge of the social, economic and political conditions in each country. A clearly defined set of standards governs all the work. The Bank seeks to develop a sound investment climate based on an effective legal and regulatory framework which promotes corporate governance, including sound management practices, a firm stance against corrupt practices, disclosure of information, and clear and consistent accounting and auditing practices. All operations are guided by the need to promote environmentally sound and sustainable development as well as appropriate procurement practices.

EBRD financing for private sector projects generally ranges from \$5 million to \$250 million, in the form of loans or equity. The average EBRD investment is \$25 million. Smaller projects may be financed through financial intermediaries or through special programmes for smaller direct investments in the less advanced countries. They also support SMEs via assistance through financial intermediaries.³

Loans

1. Loans for larger projects (€5 million – €250 million)

The basis for a loan is the expected cash flow of the project and the ability of the client to repay the loan over the agreed period. The credit risk can be taken entirely by the Bank or may be partly syndicated to the market. A loan may be secured by a borrower's assets and/or it may be converted into shares or be equity-linked. Full details are negotiated with the client on a case-by-case basis. The main loan features are the following:

- a. minimum €5 – 15 million, although this can be smaller in some cases;
- b. fixed rate basis, linked to a floating rate such as LIBOR, or floating rate basis with a cap or a collar;
- c. senior, subordinated, mezzanine or convertible debt;
- d. denominated in major foreign or local currencies;
- e. short to long-term maturities, from 5 to 15 years.

A margin is added on to the base rate. The margin is a combination of country risk and project-specific risk. In addition to the margin, the Bank may charge a front-end commission, a commitment fee, a loan conversion fee, and prepayment, cancellation and late payment fees, if necessary. The Bank usually requires the companies it finances to secure the loan with project assets.

Recourse to a sponsor is not required. However, the EBRD may seek specific performance and completion guarantees plus other forms of support from sponsors of the kind that are normal practice in limited-recourse financing. The Bank also requires project companies to obtain insurance against normally insurable risks but does not require insurance against political risk or the non-convertibility of the local currency.

Repayment is normally in equal, semi-annual instalments.

2. Loans for smaller projects

The EBRD supports local commercial banks, which in turn provide loans to SMEs and municipalities. Tools that may be available include credit lines, bank-to-bank loans, standby credit facilities and equity investments in the local banks. SMEs should contact local banks directly to access finance and check local requirements and investment limits.

Equity

The Bank invests equity ranging from €2 million – €100 million in industry, infrastructure, and the financial sector. The EBRD also participates in investment funds, which in turn invest in medium-sized companies that need to expand their business. Equity funds are focused on a specific region, country or industry sector, have local presences and are run by professional venture capitalists. Their main investment criteria are consistent with the EBRD's overall investment policy. As the Bank has limited capital resources, it does not take long-term equity investments or controlling interests, nor does it assume direct responsibility for managing the

³ Within the Small Business Initiative, in addition to finance, the Bank also provides business advice to help SMEs grow, succeed, then grow again, becoming genuine catalysts for their local economies and region.

project company. Equity finance up to €6 million for businesses led by experienced local entrepreneurs may be available directly from the EBRD through the [EBRD Direct Investment Facility](#).

3.5.1.3 Eligible costs

The EBRD typically funds up to 35% of the total project cost. The Bank requires significant equity contributions from sponsors, which must equal or be greater than the EBRD's investment, and additional funding from other co-financiers or generated through the EBRD's syndications programme.

3.5.1 Assessment and selection process

Prospective clients must demonstrate that their proposed project or business meets the minimum requirements to be eligible to be considered for EBRD involvement (specific project criteria are subject to change and must be inquired from the Bank's local offices):

- The project is located in one of the EBRD's countries of operations.
- The project must have strong commercial prospects.
- The project involves significant equity contributions in-cash or in-kind from a sponsor.
- The project benefits the local economy and helps develop the private sector.
- The project satisfies banking and environmental standards.
- The project cannot be connected to defense-related activities, tobacco, substances banned by international law or gambling facilities.
- The project cannot relate to subsidies, sponsorship or donations.

If an organization is confident that its enquiry meets these key criteria, it should contact the Bank by filling in the [financing enquiry form](#) (it will contain a brief description of the project, background information on the sponsor, the details of the product or service that will be developed and how it will be produced, a review of the market, an accurate breakdown of the project costs and how the funds will be used, a summary of the implementation requirements, the identification of additional sources of funding, an overview of the project's anticipated financial performance, a summary of any environmental issues and the details of government licenses or permits required, etc.). The enquiry will receive a response from an EBRD representative within seven working days of submitting the form. When the EBRD has all the necessary information, a deal typically takes three to six months from initial contact to signing.

The total lifecycle of an EBRD project, from initiation to repayment, can range from one year for working capital or trade financing projects to 15 years for long-term sovereign infrastructure projects. It consists of the following stages:

1. Concept review – The EBRD's Operations Committee (OpsCom) approves the project concept and overall structure, including the proposed financing structure and supporting obligations. At this stage, the EBRD and the client sign a mandate letter, which outlines the project plan, the development expenses and the responsibilities.
2. Final review – Once the basic business deal (including a signed term sheet) has been negotiated and all investigations have been substantially completed, the project receives a final review by OpsCom.
3. Board review – The EBRD presents the project to the Board of Directors for approval.
4. Signing – The EBRD and the client sign the deal and it becomes legally binding.
5. Disbursements – Once repayment conditions are agreed and the Bank's conditions met, the funds are transferred from the Bank's account to the client's account.

6. Repayments – The client repays the loan amount to the EBRD under an agreed schedule.
7. Sale of equity – The Bank sells its equity investments on a non-recourse basis.
8. Final maturity – The final loan amount is due for repayment to the Bank.
9. Completion – The loan has been fully repaid and/or the EBRD’s equity investment divested.

3.6 Council of Europe Development Bank (CEB)

The [Council of Europe Development Bank](#) (CEB) is a multilateral development bank with an exclusively social mandate. It can provide loans to co-finance projects in accordance with its mandate. The Bank can also provide guarantees, grants and interest rate subsidies through fiduciary accounts. It receives no budgetary contribution from its member states to finance its activities – the necessary resources are raised on the international capital markets in the form of borrowings. The CEB contributes to the implementation of socially oriented investment projects through three sectoral lines of action:

1. **sustainable and inclusive growth;**
2. **the integration of refugees, displaced persons and migrants;**
3. **and climate action** (developing adaptation and mitigation measures).

The Bank mainly provides flexible medium-term and long-term loans at favourable interest rates. The CEB uses a range of financing instruments that allow flexibility to best address their borrowers’ needs: the **CEB Project Loans** usually finance predefined individual infrastructure investments; **Programme Loans** are used for funding multi-project programmes (mostly in the support of MSME and municipal investment programmes); the **EU Co-financing Facility** (ECF) allows for co-financing of EU-funded investment activities at the national level; the **Public Sector Financing Facility** (PFF) covers temporary financing gaps in the public sector; and lastly, the **Cross-Sectoral Loan Programme** (CSL) meets public authorities’ social infrastructure needs.

3.6.1 Eligibility

3.6.1.1 Geographical eligibility

The CEB has 41 members who are the Bank’s shareholders. A member country can be both a donor and a recipient of loans. The Bank – as a sign of solidarity – aims to provide increased support to a group of 22 target countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Georgia, Hungary, Kosovo, Latvia, Lithuania, Malta, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Macedonia and Turkey). The other member states are Belgium, Denmark, France, Germany, Greece, the Holy See, Finland, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden and Switzerland.

3.6.1.1 Eligible sector and activities

The Bank directs its financings exclusively to banks or public entities. This particular characteristic makes them complementary to other supranational institutions. Potential borrowers include governments, local/regional authorities, public/private financial institutions or any other public/private legal entity approved by a CEB member state. The loan application is tailored to the characteristics of each project, prepared jointly by the CEB and the borrower.

Eligible projects can be implemented in the following sectors:

- Refugees and migrants

- Social housing
- Living conditions
- Natural disasters
- **Environment** – Environmentally sustainable development is an important focus area of the CEB. The projects funded in this sector can involve the reduction and treatment of solid and liquid waste; the clean-up and protection of surface and underground water; the decontamination of soils and aquifers; protection against noise; **energy**-saving and **efficiency** measures; the production of renewable energy; the reduction of air pollution; the protection and development of biodiversity; and **cleaner transport means and networks**.
- Cultural heritage
- Health
- Education
- Public administration
- MSMEs

The loan application should include a brief description of the project and its sustainability, the project's financial aspects (the loan amount, the estimated project cost, the financing plan, etc.), the implementation schedule, and the borrower's general information.

3.6.1.1 Eligible costs

The CEB finances up to 50% of the total project costs: its share of financing is determined according to the project's characteristics and funding needs, the borrower's overall financial situation, the availability of budgetary allocations, the priorities of the proposed investment and the expected social impact of the action.

The costs eligible for CEB financing include:

- surveys, studies, the technical supervision of the project – maximum 5% of the total budget;
- acquiring land directly linked to a project;
- the construction/renovation/modernisation or purchase of buildings;
- the installation of basic infrastructure such as water supply, roads, etc.;
- the maintenance of the viability and sustainability of the public services;
- the purchase of materials, equipment and machinery, including IT equipment and software, as well as the related costs linked to the training of staff;
- and technical assistance.

Contingencies may represent up to 10% of the total cost of the project. Costs related to professional/vocational training, public awareness-raising campaigns, university or college tuition fees, research and development, and non-deductible and non-refundable VAT may be eligible for financing, considering their objectives within the framework of the project. It is important to note, that CEB loans cannot cover staff costs (wages/salaries and other related benefits), only in the case of project management or technical assistance.

3.6.1 Assessment and selection process

In order to determine the applicant's eligibility, a systematic evaluation of its solvency, institutional set-up and management capacity is carried out, focusing on the financial, technical and implementation-related

aspects of the project. The **social impact** is the most important consideration during this process, but it also includes a thorough evaluation of the likely added value of CEB support.

3.7 KfW Development Bank

The [KfW Development Bank](#) has been helping the German Federal Government to achieve its goals in **development policy and international development cooperation** for more than 50 years. It supports projects that mainly involve public sector players in developing countries and emerging economies. The funding models include pure grants and loans from budget funds, but also loans combining budget funds and KfW's own funds.

The Bank finances development programmes in emerging economies in Asia, Europe (Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldova, Montenegro, Russia, Serbia, Turkey and Ukraine), Latin America and the Caribbean, North Africa and the Middle East and Sub-Saharan Africa. In total, it committed approximately **€873 million** for the region of South Eastern Europe and the Caucasus **in 2016**.

The eligible sectors are the following: Biodiversity, Climate, Economic growth and employment, Education, Energy, Environment and sustainability, Financial system development, Governance, Health, Insurance, International development cooperation, Peace, Poverty and empowerment, Rural development, Social protection, **Transport**, Urban development and Water. In the Transport sector, KfW is promoting projects worldwide, aiming to improve urban transport, expand rural roads and support the economy on account of **better long-distance and freight transport**.

Most of the specific information concerning this FI are only available at the Bank's German website.

3.8 Western Balkans Investment Framework (WBIF)

The [Western Balkans Investment Framework](#) (WBIF) is a regional blending facility **supporting EU enlargement and socio-economic development and facilitating the preparation and implementation of priority infrastructure investments in the Western Balkan countries**. It was jointly launched in 2009 by the European Commission, the CEB, the EBRD, the EIB and several bilateral donors. The World Bank Group and the KfW Development Bank subsequently joined the Framework. The funds come from the IPA, 20 bilateral donors, the above-mentioned financial institutions and national budgets, through grants for project preparation and investments, loans to co-finance investments and national contributions.

3.8.1 Eligibility

3.8.1.1 Geographical eligibility

The beneficiaries can be from Albania, Bosnia and Herzegovina, Macedonia, Kosovo, Montenegro and Serbia. For transnational or regional projects involving a beneficiary but also other, non-eligible countries, the support provided through the WBIF will cover only the investment part pertaining to the beneficiary.

3.8.1.1 Eligible sector and activities

All projects should have a Lead Financial Institution (Lead IFI) that is expected to contribute in financing the investment for which preparation support is sought.

The legal entity benefiting from the grant must be registered within the beneficiary country. This can be a public entity, a private entity (also a public private partnership, a joint venture or a mutual joint venture), or

an entity with mixed public-private capital, but in each case responsible for the management, construction and provision of public utilities and services.

The beneficiaries established National Investment Committees (NICs) responsible for identifying potential infrastructure investment projects through the Single Project Pipeline (SPP). The WBIF provides technical assistance and investment grants for these infrastructure projects in the following sectors, with annual or bi-annual open calls for proposals:

- **Environment** – The WBIF’s main priorities in this sector are water and wastewater, solid waste, **river basin management** and flood protection in densely populated, industrialized and environmentally sensitive areas.
- **Energy** – This can mean **renewable technologies**, co-generation, transmission (electricity, gas and oil), interconnection systems, storage, hydro- and gas pipelines, district heating, **energy efficiency** and savings, etc.
- **Transport** – Only Core Network projects are eligible for investment grants and can make use of the approximately **€1 billion EU grant** available for connectivity co-financing over the **2015-2020 period** (railways, **inland waterways**, **river ports**, roads, **seaports**, airports, border facilities, intermodal terminals and urban transport).
- Social projects
- Private sector development

3.8.1.1 Eligible costs

To be eligible for EU funding, the costs must be:

- necessary for the implementation of the action;
- included in the estimated budget (beneficiaries must avoid any unnecessary or unnecessarily high expenditure);
- reasonable, justified and consistent with the principles of sound financial management;
- generated during the lifetime of the project;
- identifiable and verifiable.

Exceptionally, a grant may be awarded for an action which has already begun only where the applicants can demonstrate and justify the need to start it before the Contribution Arrangement is signed.

Some costs (e.g. the purchase of lands or buildings, recoverable VAT, financial penalties, bank charges, exchange losses, in-kind contributions) are not eligible.

3.8.2 Assessment and selection process

After the Project Financier’s Group receives the application online, a **screening** process takes place: the grant request is analysed with the aim of drawing a list of eligible projects ready for assessment. The consultation is launched by the WBIF Secretariat and involves the relevant Directorates General (DG Energy, DG Environment, etc.) and international/regional sectoral organisations (e.g. South East Europe Transport Observatory). They comment on the project’s consistency with national and regional strategies, investment plans, the IPA priorities and the relevant EU policies, its potential for IPA support (outside the WBIF) and other donor funding, and the appropriateness of the mix of funding sources. The grants screened positively are selected for further consideration: the **assessment** phase.

The eligible grant requests are assessed online according to their technical quality, credit risks and legal aspects. The following criteria are used to prioritise the projects:

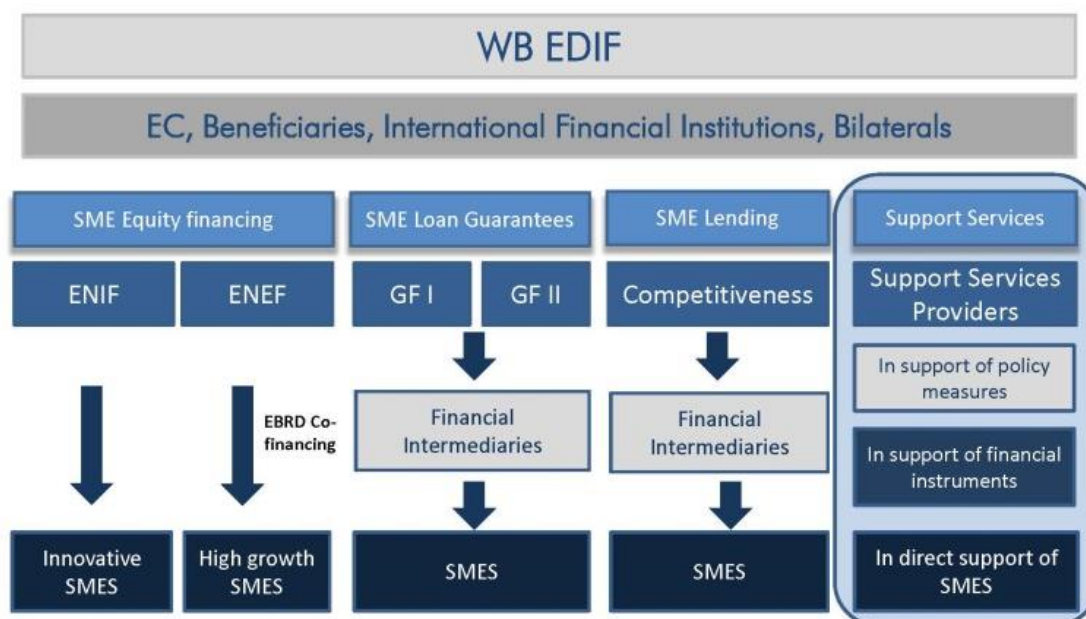
- the rationale for the use of grant funds;
- project maturity and urgency;
- the regional/cross-border impact;
- conformity with the socio-environmental standards;
- economic and financial soundness;
- the capacity of the beneficiary institution;
- the financing perspective;
- the project’s contribution to climate change mitigation, adaptation and climate resilience issues;
- and the grant application form’s completeness.

After this process, the Project Financiers’ Group considers the screening and assessment conclusions and recommends a list of projects which are eligible under the WBIF for approval to the Steering Committee which makes the final decision.

3.9 Western Balkans Enterprise Development and Innovation Facility

The [Western Balkans Enterprise Development and Innovation Facility](#) (WB EDIF), funded by the EU, aims at **improving access to finance for SMEs in the Western Balkans**. It is the first regional initiative focusing on SMEs which is channeled through the Western Balkans Investment Framework. It focuses on boosting the participation of private sector actors, addressing the needs of the Western Balkans SME market, building up a local venture capital market, widening the scope of SME finance, and increasing available funding and financial instruments. Under WB EDIF, SMEs in Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia can obtain enhanced access to finance. The partnership pulled together €145 million of initial capital that may translate into around €300 million of direct financing. The initiative’s characteristics are similar to the [WBIF’s](#), but some aspects of them can be subjects to change.

8 WB EDIF’s managing structure (WB EDIF website)



3.10 Connecting Europe Facility (CEF)

The [Connecting Europe Facility](#) is a European Union fund for **pan-European infrastructure investment in transport, energy and digital projects which aim at a greater connectivity between EU Member States**. It operates through grants, financial guarantees and project bonds; the first call for proposals was launched in 2016. CEF is run by the Innovation and Networks Executive Agency (INEA), the successor of the Trans-European Transport Network Executive Agency (TEN-T EA).⁴ INEA implements most of the programme budget for the 2014-2020 period – €27.4 billion out of **€30.4 billion**, divided between the three main sectors:

- Energy – €4.7 billion out of €5.35 billion,
- Telecom – €300 million out of €1 billion,
- and Transport – €22.4 billion out of €24.05 billion.

One of the key objectives of CEF – beside promoting growth, jobs and competitiveness through targeted infrastructure investments – is enabling and strengthening the synergies between these sectors by supporting the development of high performing, sustainable and efficiently interconnected trans-European networks.

3.10.1 Eligibility

3.10.1.1 Geographical eligibility

The applicants must be EU Member States or organizations from one of them. Other countries and entities may participate only when their involvement is necessary to achieve the objectives of a given project of common interest, however, they cannot receive financial assistance, except for the above-mentioned reason.

3.10.1.2 Eligible sector and activities

Several types of applicants are eligible: one or more Member States, or – with the agreement of the Member State(s) concerned – international organisations, joint undertakings, public and private bodies. Proposals may be submitted by entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to undertake legal obligations on their behalf and offer guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.

Applicants must have the appropriate legal powers, corporate structures, human (professional skills/qualifications) and financial resources (adequate funding sources) to complete their proposed project which should be at an advanced stage of preparation. The project documents shall include the following information:

- general purpose, justification and location;
- status of the project in terms of obtaining necessary statutory requirements;
- technical description (technology, site development, buildings, etc.);
- environmental impact assessment;
- engineering studies and implementation plan;
- detailed cost estimate;
- operation (raw materials, flowcharts, output levels, staff, etc.).

⁴ INEA also runs parts of the [Horizon 2020](#) programme.

All proposals must be accompanied by a cost-benefit analysis (CBA) or a socio-economic cost-benefit analysis in the case of a larger project of common interest. The project's financial and legal structure should allow for private sector involvement whenever possible and maximise the mobilisation of private capital. The applicant shall submit a letter of support from one or several public or private financing institutions evidencing the financial readiness of the project.

For the purposes of this Guide, the most relevant CEF sector is **Transport**: it focuses on projects aiming at removing bottlenecks or bridging missing links within networks as well as horizontal priorities such as traffic management systems. It also supports innovative improvements in the use of infrastructure, the environmental impact of transport, energy efficiency and safety. CEF **Energy** concerns the EU's aging energy infrastructure which is – at least in its current state – not ready to match future demand. Since the use of renewable energy resources is connected to transport, this sector could also be of interest to the readers but since CEF Transport also treats energy efficiency and environmental protection as a priority area, the recommendation for future applicants is to concentrate on that sector instead. CEF **Telecom** mostly deals with cross-border interaction between public administrations, businesses and citizens by deploying digital service infrastructures (DSIs) and broadband networks – its main goal is sustaining the Digital Single Market.

CEF Transport has the following priority areas:

- **Core Network Corridors**
 - This priority – and the next one – focuses on maritime and inland ports, inland waterways, roads and railways. Actions that can be implemented under the first two focus areas (covering water transport) are building more capacity for the passage of vessels, creating new waterways, constructing or upgrading locks, providing facilities for ice-breaking, hydrological services and dredging to ensure navigability, introducing fixed infrastructure regarding alternative energy (e.g. LNG bunkering and shore-side electricity), establishing reception facilities for oil and other waste, etc.
- **Other sections of the Core Network**
- Rail interoperability
- European Rail Traffic Management System (ERTMS)
- **Innovation and new technologies**
 - In the context of this priority, innovation means the implementation of a new or significantly improved product (goods and/or service), which is ready for deployment, already tested in a real-life trial. For mobile equipment, i.e. vehicles, the grant component only covers the innovative parts. Supported actions can aim for the decarbonisation of transport by the roll-out of alternative fuel distribution infrastructure, the development of interoperable vehicle interfaces, the improvement of the operation, management, accessibility, sustainability, interoperability, multimodality and efficiency of the network, etc.
- Safe and secure infrastructure
- Single European Sky – SESAR
- Intelligent Transport Systems for Road (ITS)
- **Motorways of the Sea (MoS)**
 - Motorways of the Sea (MoS) are considered the maritime pillar of the Trans-European Transport Network. The priority has three pillars of action: Environment; Logistics and integration; and Safety, human element and traffic management. It aims to promote green,

viable, attractive and efficient sea-based transport links integrated in the entire transport chain. The following infrastructure which must remain open to all users on a non-discriminatory basis can be co-financed:

- high water protection devices (e.g. dikes, breakwaters, locks);
- lights, buoys, beacons, ramps, jetties, signposting;
- intermodal terminals in ports and hinterlands;
- electronic logistics management systems;
- waterways and canals to shorten sea routes;
- emission abatement methods;
- maritime ICT systems;
- improvements in the quality and capacity handling of ro-ro and ro-pax services; etc.

Implementation actions focusing on upgrading or establishing new MoS links should include a considerable port investment component, amounting approximately to 50% of the total project budget. Ships receiving support through the MoS Programme will be required to serve the co-funded actions within the EU area for at least 5 years after the project end date. Moreover, projects under this priority must include ports from two different Member States, one maritime operator and – ideally – hinterland transport operators.

- Nodes of the Core Network
- **Multimodal logistics platforms**
 - Multimodal logistics platforms cover the transshipment of freight between two or more modes of transport. Where relevant, actions shall provide interconnection between the existing freight terminals and rail, inland waterways or short sea shipping.

As can be seen from the project examples, only infrastructural works or innovations concerning operational processes will be supported: research, soft measures and knowledge-exchange platforms are not eligible.

3.10.1.3 Eligible costs

In general, the amount of financial assistance shall not exceed the following rates:

- for inland waterways, 20% of the eligible costs – the funding rate may be increased to a maximum of 40% for actions addressing bottlenecks or concerning cross-border sections;
- for supporting the development of Motorways of the Sea, 30% of the eligible costs;
- for inland transport including inland and maritime ports, multimodal logistics platforms, the development of ports and new technologies for all modes of transport, 20% of the eligible costs.

These funding rates can be increased by up to 10% for actions with synergies between at least two of the sectors covered by the CEF Regulation.

A project's total cost should be in excess of €10 million. Eligible costs are costs actually incurred by the beneficiary. Only expenditure in Member States may be eligible, except where the project involves the territory of one or more third countries and where the action is indispensable to the achievement of the objectives of the project concerned. Costs will be eligible, at the earliest, from the date on which the application is submitted and, at the latest, to the date of the completion of the project (which can be no later than 31 December 2023).

VAT paid by beneficiaries is also eligible except deductible VAT and VAT paid for the implementation of activities engaged in as a public authority by the beneficiary where it is a Member State, regional or local government authority of a Member State or another body governed by public law of a Member State.

3.10.2 Assessment and selection process

First, applicants must evidence that they have the **financial capacity** to complete the project – they will provide their financial statements certified by an external auditor for the last financial year for which the accounts have been closed before the application. In the case of a newly created company, a business plan must be provided together with a letter of support from another company or another applicant in the same proposal. The applicants must also have the **operational and technical capacity** to complete the project, proving this by providing appropriate documents attesting to it (e.g. activity reports, proof of experience in carrying out infrastructure projects). Verifying the financial and operational capacity does not apply to applicants which are Member States, neighbouring/third countries, public-sector bodies established in a Member State or international organisations.

A decision to grant financial assistance should consider the following award criteria:

- **Relevance**
 - the European added value of the project;
 - the cross-border impact, when applicable;
 - the removal of bottlenecks, enhancing rail interoperability, bridging missing links and improving cross-border sections as stipulated in the CEF Regulation;
 - contribution to innovation, sustainable transport and decarbonisation.
- **Maturity**
 - the maturity of the project in the level of project development;
 - the financial readiness of the project based on evidence provided accordingly;
 - the proposed projects should be expecting to reach full financial close with a private sector financiers, the EIB or a National Promotional Bank within 12 months from the date of the signature of the grant agreement.
- **Impact**
 - the stimulating effect of the Union support on public and private investment;
 - the need of the grant to overcome financial obstacles, such as the lack of risk appetite in the market;
 - the economic, social, climate and environmental impact and accessibility.
- **Quality**
 - the soundness of the financial, technical and operational plan proposed;
 - the soundness of control, monitoring and audit procedures.

3.11 URBACT

The **URBACT** programme is an instrument of the Cohesion Policy, co-financed by the European Regional Development Fund (ERDF), the 28 Member States, Norway and Switzerland. Its main aim is to enable cities to work together and **develop pragmatic and innovative solutions to common urban challenges by networking** – learning from one another’s experiences, drawing lessons and identifying good practices to improve urban policies.

The URBACT III programme – with a total eligible budget of **€96.3 million** for the 2014-2020 programming period – is organised around four main objectives: Capacity for Policy Delivery, Policy Design, Policy Implementation and Building and Sharing Knowledge. To reach these objectives, the programme develops three types of interventions: transnational exchanges, capacity-building, and capitalisation/dissemination.

The **transnational exchanges** can be divided into three groups:

- **Action Planning Networks**, creating integrated strategies for sustainable urban development and integrated action plans on one or several policy areas;
- **Implementation Networks**, realizing the integrated strategies/action plans;
- and **Transfer Networks**, exchanging good practices between the partner cities.

Capacity-building refers to strengthening the skills and know-how of people working in European cities. This could involve national seminars, URBACT Universities or other ad hoc actions based on an established need.

URBACT also enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe, building knowledge and know-how from the direct experiences with systematic **capitalisation and communication processes**, using thematic experts, websites operating as knowledge platforms, publications (newsletters, case studies, booklets), conferences, seminars, workshops for city practitioners and URBACT National Points.

3.11.1 Eligibility

3.11.1.1 Geographical eligibility

Beneficiaries must be from the 28 EU Member States, Norway and Switzerland – partners from the last two cannot make use of the ERDF funding, but are co-financed at a rate of 50% by national funds. IPA (Instrument for Pre-accession Assistance) and other countries can participate only with their own funding. Only cities from the Member States and Partner States can be Lead Partners of an Action Planning Network. Moreover, a city cannot be Lead Partner in more than one project at a time under the same call.

3.11.1.2 Eligible sector and activities

URBACT III defines two categories of beneficiaries:

- main beneficiaries (city-partners) such as:
 - cities, municipalities, towns;
 - infra-municipal tiers of government – city districts and boroughs;⁵
 - metropolitan authorities and organized agglomerations;
- and other beneficiaries (non-city-partners)⁶ such as:
 - local agencies defined as public or semi-public organisations set up by a city, partially or fully owned by the city authority, responsible for the design and implementation of specific policies (economic development, energy supply, health services, transport, etc.);
 - provincial, regional and national authorities;

⁵ In cases where they are represented by a politico-administrative institution having delegated competences for policy-making and implementation in the policy area covered by the URBACT network concerned.

⁶ They can only be part of Action-Planning Networks.

- universities and research centres.

Eligible beneficiaries may participate in no more than two URBACT networks under each call for proposals.

URBACT is organized around 5 topics with several focus areas:

1. **Integrated Urban Development** – Abandoned Spaces, Capacity Building, City Planning, Culture & Heritage, Disadvantaged Neighbourhoods, **Energy Efficiency**, Financial Engineering, Housing, **Low Carbon**, Strategic Planning, **Urban Mobility**, Urban Renewal, Urban Sprawl, Urban-rural;
2. **Economy** – Circular Economies, City Branding, Culture & Heritage, Employment, Entrepreneurship & SMEs, Food, Health, Knowledge Economy, **Local Economic Development**, Research & Innovation, Sharing Economy, **Waste**;
3. **Environment** – Abandoned Spaces, **Energy Efficiency**, Food, Housing, **Low Carbon**, Risk Prevention, **Urban Mobility**, Waste;
4. **Governance** – Capacity Building, City Branding, City Management, City Planning, Cross-border Cooperation, Financial Engineering, Knowledge Economy, Participation, Social Innovation, Urban-rural, Youth;
5. **Inclusion** – Ageing, Culture & Heritage, Disadvantaged Neighbourhoods, Education, Employment, Health, Housing, Migrants, Minorities, Participation, Poverty, Roma, Sharing Economy, Social Innovation, Youth.

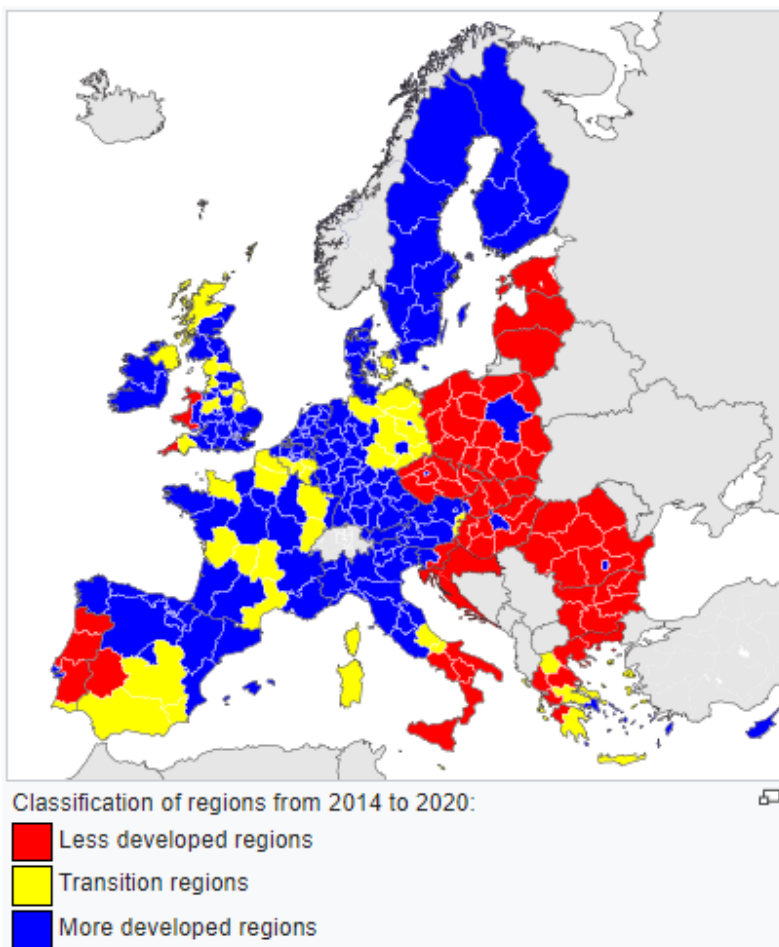
Depending on the project's approach, a number of subtopics can be addressed concerning water transport: the most likely options are marked.

3.11.1.3 Eligible costs

Partners from 'More developed' regions shall be co-financed at up to 70% by ERDF, while in the case of partners from 'Less developed' and 'Transition' regions, at up to 85%. The classifications can be seen on the following map:



9 Classification of regions according to the EU’s Regional Policy (DG Regional and Urban Policy website)



The total eligible cost for an Action Planning Network or an Implementation Network should be between €600,000 and €750,000 (maximum €600,000 in the case of a Transfer Network), with a maximum of €100,000 for Phase 1 or €150,000 in the case of an Implementation Network (€80,000 for Transfer Networks). Each network shall have an allocation of €127,500 maximum to cover the costs of expertise over the lifetime of the project, with €30,000 in Phase 1 (€109,500 and €19,500 in the case of Transfer Networks). The budgets for Phase 1 and 2 shall be presented using five categories.

Staff

Staff costs cover real costs paid out based on a payslip or a document of equivalent probative value. For all staff not employed full time on a project, working time must be recorded on timesheets throughout the duration of the action. Salary payments and taxable benefits linked to them are eligible as long as they are in line with the employment policy of the partner organisation (e.g. lunch vouchers, bonus payments, relocation benefits). Holidays, sick leave and annual or maternity leave are also eligible as far as they are paid and not refunded by the social security system.

Office and administration

In the URBACT programme, office and administration costs shall be reimbursed as a flat rate of 3% of staff costs for all networking projects. Some of the eligible items are the following: office rent, insurance/taxes

(concerning the building where the staff works), utilities, office supplies (pens, paper, photocopy toner), accounting, maintenance, cleaning, business cards, coffee/biscuits for small project meetings, education/guidance books, etc.

Travel and accommodation

Travel and accommodation costs must clearly link to the project and be essential for the effective delivery of the activities. The following main documents must be available for control purposes:

- the agenda of the meeting, along with a report of the session;
- signed attendance sheet;
- paid invoices (e.g. hotel bills, travel tickets);
- daily allowance claims;
- and proof of payment including advance payments, if appropriate.

External expertise and services

External expertise and services covers costs paid on the basis of contracts or written agreements and against invoices or requests for reimbursement from external experts and service providers that are required to carry out certain tasks or activities linked to the delivery of the project. These might include translations, external event organisation, studies and surveys, support for project management (the latter must be considered – along with staff costs – for the calculation of the 40% allowed for management costs in the network budget).

Equipment

In the context of the URBACT programme, this category usually refers to IT equipment necessary for project coordination and financial management purposes. Due to the nature of the URBACT III projects, costs for equipment shall be moderate and clearly justified in the Application Form. Usually, the purchase should be made in the first six months of Phase 2. The following main documents must be available for control purposes:

- evidence of the procurement process;
- contract for equipment;
- invoice;
- calculation scheme of depreciation;
- and proof of payment.

3.11.2 Assessment and selection process

The URBACT Programme, in order to increase the quality of networks approved for funding, organizes a two-phase process with a first 6-month phase for the consolidation of the project proposal and a second 24-month phase for the implementation of the exchange and transfer activities. Cities willing to set up an URBACT network are requested to submit a first proposal to get funding for Phase 1. If the proposal is approved, the networks will have 6 months to prepare and submit a complete project proposal for Phase 2. Each phase is subject to:

- an eligibility check by the Secretariat – The eligibility criteria are minimum requirements, all of which must be fulfilled before a proposal can be declared eligible. They usually refer to rules to respect in

terms of the procedure, the deadline, the completeness of the application and the partnership. Other eligibility criteria may apply depending on the focus of the call.

- an assessment by an external panel of experts (External Assessment Panel) – This covers the relevance of the topic, the coherence of the approach, the quality of the partnership, as well as other qualitative aspects of the overall application. With a view to ensuring the funding of good proposals, the EAP may seek clarification from the candidate Lead Partners by means of interviews and provide recommendations for improvements if necessary.
- the approval of the Monitoring Committee, which is final.

3.12 Urban Innovative Actions (UIA)

72% of the EU's population lives in cities – cities that are changing dynamically and rapidly, creating increasingly complex challenges for city leaders/urban developers. Potential solutions, ideas always exist but the risk factors often prevent a city from investing money in their implementation. [Urban Innovative Actions](#) is an initiative of the EU that supply urban areas throughout Europe with resources to **test new and unproven solutions to address urban challenges**. Urban authorities can seize this opportunity to move from 'normal projects' financed through 'traditional' means and turn to risky, ambitious and creative ideas that are also innovative, participative, measurable, transferable and of good quality. The Initiative has a total ERDF budget of **€372 million** for 2014-2020.

3.12.1 Eligibility

3.12.1.1 Geographical eligibility

All applicants must be located in an EU Member State.

3.12.1.2 Eligible sector and activities

The following authorities may apply for support to undertake Urban Innovative Actions:

- any urban authority of a local administrative unit (LAU) defined as a city, town or suburb, comprising at least 50 000 inhabitants;
- any association or grouping of urban authorities of LAUs defined as cities, towns or suburbs where the total population is at least 50 000 inhabitants (this can include cross-border associations, or groupings in different regions and/or Member States).

Any existing association of urban authorities without the legal status of organised agglomeration or individual urban authorities without a formalised cooperation agreement should list one LAU as the Main Urban Authority and the other LAUs as Associated Urban Authorities. Urban authorities are not requested to set up a transnational partnership with partners from different Member States, but they need to bring different interests and perspectives to the table – the projects should involve a mixture of local stakeholders with horizontal (agencies, NGOs, etc.) and vertical integration (different tiers of the government).

According to these rules, a partnership for a UIA project can be made up of a (Main) Urban Authority, Associated Urban Authorities and Delivery Partners. The Urban Authority bears the entire financial and juridical responsibility. The Associated Urban Authorities are responsible for the delivery of specific activities and the production of related deliverables/outputs. Delivery partner can be any organisation – with the exception of urban authorities (institutions, agencies, universities, associations, NGOs, etc.) – seen as relevant for the successful outcome of the project.

The topics that applicants can address relate to the 12 topics that Member States, representatives of local authorities, NGOs, European and national associations of cities, as well as experts and the Commission have identified within the frame of the European Urban Agenda:

- Jobs and skills in the local economy
- Urban poverty (child poverty, deprived neighbourhoods and homelessness)
- Housing
- Inclusion of migrants and refugees
- Sustainable use of land and nature-based solutions
- Circular economy
- Climate adaptation
- **Energy transition (energy efficiency and local renewable energy systems)**
 - Energy transition is best defined as a shift from a system dominated by finite (chiefly fossil-based) energy towards a system using a majority of renewable energy sources. Increasing the adoption of low carbon technologies can be a way to involve water transport in this priority area.
- **Sustainable urban mobility**
 - Choosing this topic is also a valid idea for ports and waterways: both developing innovative multi-modal hubs and mobility services, allowing for a seamless transfer from one mode of transport to another and creating innovative alternative fuel infrastructure are connected to the objective.
- Air quality
- Digital transition (data collection, data management and digital services)
- Innovative and responsible public procurement

3.12.1.3 Eligible costs

UIA provides applicants with two levels of support:

1. It co-finances 80% of the project's activities, up to a maximum of €5 million. Small projects (below €1 million) have a reduced probability of being selected as they may struggle to demonstrate that the actions are of sufficient scale to produce meaningful conclusions, meanwhile, projects with significant investment costs should prove that the cost fits the project's purpose. Project implementation should take place within a maximum period of 3 years.
2. The Initiative also documents and shares the knowledge that the project generates – how the potential solutions work in practice, as in a scientific experiment: what worked and what did not work.

The following section provides an overview on the eligibility principles for the different budget lines of a project.

Staff

Staff members can either be already employed by the partner or contracted specifically for the project. The staff costs' calculation is based on costs actually paid out and proofed by pay slips or documents of equivalent value. Unpaid voluntary work and recoverable VAT are not eligible.

Office and administration

Office and administration expenditure is covered by a flat rate of 15% of the reported staff costs in line with Article 68.1.b of Regulation (EU) No 1303/2013. This budget line can contain office rent, insurance, utilities, office supplies, cleaning, security, communication and bank charges, etc.

Travel and accommodation

This budget line is limited to the following items: travel (e.g. tickets, travel and car insurance, fuel, car mileage, toll and parking fees), meals (the cost of meals is not eligible if the concerned staff member receives a daily allowance), accommodation, visa and daily allowances. The choice of transport and accommodation should be led by effectiveness, cost-efficiency and eco-friendliness – public transport has priority over private or company cars and taxis. Cancellation costs or the costs of any unused travel tickets or booking (due to cancelled travels) are ineligible.

External expertise and services

These expenses can include studies/surveys, training, translations, IT systems, website development, promotion, communication, legal consultancy and notarial services, etc. The applicable procurement rules must be followed. Promotional giveaways are eligible provided that they relate to the project's communication activities. The cost of a single item must remain below €50. Schemes supporting the distribution of financial contribution given as a reward following a contest such as prizes, vouchers or grants are also eligible, but they shall respect the principles of transparency and equal treatment. Individual awards must not exceed €60,000.

Equipment

This line can contain office equipment, IT hardware and software, furniture and fittings, laboratory equipment, machines and instruments, tools or devices, vehicles, etc. Equipment can only be co-financed if it is necessary for the project implementation (and does not already covered by the Office and administration costs) or if it is considered as a project output.

Infrastructure and construction works

This could mean purchase of land/real estate, site preparation, delivery, handling, installation, renovation, etc. Infrastructure and construction works are financed only if they are crucial for the achievement of the project's outputs and results and inscribed in the investment Work Package described in the Application Form.

For the **preparation** activities, UIA grants a lump sum of €20,000 (corresponding to a maximum amount of €16,000 ERDF). Similarly, the **administrative closure and knowledge transfer phase** is covered by a lump sum: following the successful administrative closure of the project and the approval of the final qualitative report, €15,000 (corresponding to a maximum amount of €12,000 ERDF) are granted to the (Main) Urban Authority which can share it amongst the partners in proportion to their involvement. No documentation is necessary.

3.12.2 Assessment and selection process

The selection process is organised in three steps:

1. Eligibility check

The Permanent Secretariat checks whether the submitted applications comply with the eligibility criteria – the Application Form is completely filled in and has been submitted electronically, the time

limits and budget requirements are respected, etc. All applicants will receive an e-mail notification about the status of their project.

2. Strategic assessment

A Panel of External Experts with in-depth knowledge of the topics of the relevant call is in charge of the second step. The Panel evaluates the proposals according to four weighted criteria:

- **Innovativeness** (40%): the solutions have not been previously tested, there is clear evidence of research into the existing best practices in the area, the applicants identified the possible obstacles to the innovation and methods to overcome them, etc.;
- **Partnership** (15%): key stakeholders have been identified and are involved in the action, the Delivery Partners (and Associated Urban Authorities) have proven experience in the thematic field concerned, etc.;
- **Measurability of results** (15%): the expected results are properly described and quantified as indicators, etc.;
- **Transferability** (10%): there is clear evidence that the project can be applicable and replicable by other countries outside of the partnership.

Applications successfully scoring above a certain threshold are considered for the last step of the selection process and will receive a notification. Applicants whose proposals do not qualify for the last assessment will also receive a notification with an overall conclusion summarizing the Panel of External Experts' assessment.

3. Operational assessment

The Permanent Secretariat performs the last step of the assessment process, during which the quality of the proposal will be checked: i.e. are the Work Plan, the budget and the management structures coherent and well justified? This assessment accounts for the last 20% of the overall assessment score.

The process is very competitive and only the most innovative projects will receive funding.

3.13 LIFE

LIFE is the EU's financial instrument **supporting environmental, nature conservation and climate action projects** throughout the EU. Since 1992, LIFE has co-financed more than 4,500 projects. For the 2014-2020 funding period, LIFE will contribute approximately **€3.4 billion** to the protection of the environment and climate.

The LIFE Programme has the following general objectives:

- to contribute to a resource-efficient, low-carbon and climate-resilient economy, the protection and improvement of the quality of the environment and halting and reversing biodiversity loss, including the support of the Natura 2000 network and tackling the degradation of ecosystems;
- to improve the development, implementation and enforcement of Union environmental/climate policy and legislation, and act as a catalyst for – and promote – the integration and mainstreaming of environmental and climate objectives into other Union policies and public and private sector practice;
- to support better environmental and climate governance at all levels, including better involvement of civil society, NGOs and local actors;
- to support the implementation of the 7th Environment Action Programme.

3.13.1 Eligibility

3.13.1.1 Geographical eligibility

LIFE projects shall take place in the territory of the European Union Member States, but the programme is open to the participation of the following countries, too:

- European Free Trade Association (EFTA) countries which are parties to the Agreement on the European Economic Area (EEA);
- candidate countries, potential candidates and acceding countries to the Union;
- countries to which the European Neighbourhood Policy applies;
- countries which have become members of the European Environmental Agency.

3.13.1.2 Eligible sector and activities

Operating grants shall support certain operational and administrative costs of non-profit entities which pursue an aim of general Union interest, are primarily active in the field of environment or climate action and are involved in the development, implementation and enforcement of Union policy and legislation.

Action grants may finance traditional (pilot, demonstration, best practice, information, awareness and dissemination), integrated, technical assistance, capacity-building and preparatory projects.

Entities participating may fall into three types of beneficiaries: public bodies, private commercial organizations and private non-commercial organizations (including NGOs). On average, projects last for 3-5 years.

The general objectives set out in [Chapter 3.13](#) shall be pursued through the following sub-programmes:

- **Environment**
 - **Environment and Resource Efficiency**
E.g. projects developing tools, technologies and practices to ensure the sustainability of economic activities related to the marine environment; sustainable mobility projects essential to meeting air quality standards, focusing on the use of electric or super low emission vehicles and clean alternative fuels.
 - Nature and Biodiversity
 - Environmental Governance and Information
- **Climate Action**
 - Climate Change Mitigation
 - **Climate Change Adaptation**
E.g. projects developing blue-green infrastructure and ecosystem-based approaches to adaptation.
 - Climate Governance and Information

3.13.1.3 Eligible costs

The maximum EU co-financing rate for traditional LIFE projects is 55% of the total eligible project costs, 60% in the case of integrated, technical assistance and preparatory projects, 75% in the Nature and Biodiversity priority area (i.e. if the project focuses on concrete conservation actions for priority species or habitat), and 100% for capacity-building projects. There is no fixed minimum size for budgets, but small projects (i.e. below €500,000) have seldom succeeded due to their limited output and low added value.

Personnel costs shall be charged on the basis of hourly rates obtained by dividing the actual annual gross salary or wages plus obligatory social charges and any other statutory costs included in the remuneration of an employee by the actual total productive hours for that employee.

Travel and subsistence costs shall be charged in accordance with the internal rules of the coordinating beneficiary or associated beneficiary.

External assistance costs relate to sub-contracting costs (work undertaken by external companies, renting of equipment or infrastructure, etc.).

Depreciation charges relating to **durable goods** shall be considered only when they are placed on the beneficiary's inventory, treated as capital expenditure and purchased/leased at normal market rates. The charges are limited to the following ceilings:

- infrastructure costs: 25% of the total purchase cost;
- equipment costs: 50% of the total purchase cost.

Expenditure on **consumable material** shall relate to the purchase, manufacture, repair or use of any material, goods or equipment which are not in the previous category.

Other costs mean any costs necessary for the project, but not falling within a defined category.

Overheads shall be eligible for flat-rate funding of a maximum of 7% of the total amount of eligible direct costs actually incurred, excluding land purchase/lease costs. They need not be supported by accounting documents.

The following non-exhaustive list contains some ineligible costs:

- costs in any category of expenditure over and above that foreseen in the budget plus 10% and €30,000;
- exchange rate losses;
- unnecessary or wasteful outlays;
- distribution, marketing and advertising expenses to promote products or commercial activities, except where specifically indicated in the project;
- financial expenses or costs related to finding/obtaining alternative sources of co-financing;
- assets and services donated, including voluntary work;
- investments in major infrastructure;
- fundamental scientific research;
- licence or patent fees or other fees related to the protection of intellectual property rights.

3.13.2 Assessment and selection process

The submission/evaluation procedure is usually organized in two stages: the concept note phase (approximately 10 pages) and the full proposal phase. All proposals are admitted to an in-depth evaluation of their quality using a specific criterion and scoring system.

1. Technical coherence and quality

This criterion focuses on the clarity, feasibility and sustainability of the proposed actions.

2. Financial coherence and quality

The proposed budget and its consistency with the actions and the applicable rules as well as the cost-effectiveness of the approach will be evaluated.

3. EU added value

- a. the extent and quality of the contribution to the specific objectives of LIFE
- b. sustainability (continuation, replication, transfer potential)
- c. synergies and transnationality
- d. contribution to the project topics

Technical assistance and preparatory projects have to comply with only the first two points, while capacity-building projects can only be accepted from Member States for which the GDP per capita in 2012 was not above 105% of the Union average. In the latter projects' case, the applications also have to contain a capacity-building plan. Last but not the least, an integrated project proposal is rejected, if it does not comply with one or several of the following criteria:

- large territorial coverage – implementing a targeted Union plan or strategy;
- mobilization of other funding sources – at least one other relevant Union, national or private funding source;
- involvement of key stakeholders.

3.14 Horizon 2020

Horizon 2020 is the biggest EU Research and Innovation programme with nearly **€80 billion** of funding available over 7 years (2014 to 2020). The goal is to ensure that **Europe produces world-class science, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering innovation**. Basically, Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness.

Horizon 2020 is divided into three pillars and two specific objectives corresponding to its main priorities:

- Excellent Science;
 - Frontier research funded by the European Research Council (ERC),
 - Marie Skłodowska-Curie Actions (training and career development),
 - **Future and emerging technologies,**
 - **World-class infrastructure** (e.g. a monitoring station at the bottom of the sea, used for observing climate change);
- Industrial Leadership;
 - Leadership in enabling and industrial technologies (for SMEs, too),
 - Access to risk finance;
- Societal Challenges;
 - Health and wellbeing,
 - Food security and the sustainable use of biological resources,
 - **Sustainable energy,**
 - **Green, integrated mobility,**
 - **Climate action, environment, resource efficiency and raw materials,**
 - Europe in a changing world – inclusive, innovative and reflective societies,
 - Secure societies – protecting the freedom and security of Europe and its citizens;
- Specific objective 'Spreading excellence and widening participation'; and

- Specific objective 'Science with and for society'.

3.14.1 Eligibility

3.14.1.1 Geographical eligibility

Legal entities established in the following countries and territories will be eligible to receive funding through grants:

- the Member States of the European Union;
- the Overseas Countries and Territories linked to the Member States;
- the associated countries: Iceland, Norway, Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, Turkey, Israel, Moldova, Switzerland, Faroe Islands, Ukraine, Tunisia, Georgia and Armenia;
- **other countries**, except when they are explicitly excluded in the call text.

Individual researchers from any country in the world seeking the opportunity to work in Europe for a certain period of their career can also apply for funding.

3.14.1.2 Eligible sector and activities

In general, legal entities established in any beneficiary country and international organisations, too, may participate, but this also depends on the action types:

- Research and innovation actions – A consortium of partners from different countries, industry and academia.
- Innovation actions – A consortium of partners from different countries, industry and academia.
- Coordination and support actions – Single entities or a consortium of partners from different countries, industry and academia.
- Frontier research grants (European Research Council) – Young, early-career researchers, already independent researchers and senior research leaders; they can be of any nationality and their projects can be in any field of research.
- Support for training and career development (Marie Skłodowska-Curie Actions) – Early stage researchers or experienced researchers (of any nationality), technical staff, national/regional research mobility programmes.
- SME Instrument – Only SMEs can participate: either a single SME or a consortium of SMEs established in an EU or associated country.
- Fast track to innovation – Industry, including SMEs, with a minimum of three and maximum of five partners and a maximum EU contribution of €3 million per project.

The **rules of the different types of actions** are subjects to change so it is important to keep up with news about them.

The 2018-2020 Work Programme focuses efforts on fewer topics with bigger budgets. The focus area '**Building a low-carbon, climate resilient future**' (€3.343 billion) reflects the fact that research and innovation is essential to find the ground-breaking solutions needed, including in particular in the energy system. It aims to develop solutions for achieving **carbon neutrality** in the second half of the century. Work related to the circular economy and the focus area of 'Connecting economic and environmental gains' (€941 million) will make a strong contribution to jobs, growth and industrial competitiveness. A dedicated focus area on

'Digitising and transforming European industries and services' (€1.689 billion) will foster a better integration and coordination of the efforts. A particular emphasis will be put on cybersecurity and addressing the societal impact of the digital transformation. The focus area 'Boosting the effectiveness of the Security Union' (€1.044 billion) will support the implementation of the Security Union's priorities and help tackling the challenges that Europe is facing on multiple fronts, such as cyber-crime, security threats, natural and man-made disasters, etc. Research on these threats, notably from terrorism, will underpin an effective and coordinated EU response, and better tools will reduce loss of life and material damage.

3.14.1.3 Eligible costs

For research and development projects, the share of the EU contribution can be up to 100% of the total eligible costs, while for innovation projects, up to 70% of the costs, with the exception of non-profit legal entities which can also receive up to 100% in these actions.

The project budget consists of direct and indirect costs. Direct costs are eligible costs that can be attributed directly to the project and identified by the beneficiary as such. The following is a non-exhaustive list of direct eligible costs in Horizon 2020 projects:

- the cost of personnel assigned to the project (temporary or permanent, full-time or part-time);
- travel costs and related subsistence allowances for people taking part in the project;
- the purchase cost of durable equipment (in accordance with the depreciation system of each beneficiary);
- the cost of consumables, materials and supplies, provided they are identifiable and assigned to the project;
- and the cost of sub-contracting.

Indirect costs (overheads) are eligible costs that cannot be identified and calculated by the beneficiary as being directly attributed to the project (e.g. water/gas/electricity, maintenance, insurance, office equipment, postage). These indirect costs are calculated on the basis of a 25% flat rate of the total direct eligible costs, excluding direct eligible costs for subcontracting and financial support to third parties.

3.14.2 Assessment and selection process

Once an organization have submitted a proposal, the Commission checks if it is **admissible** (complete and properly put together) and eligible and asks independent experts to evaluate it. The **eligibility check** includes basic factors: if the contents of the proposal are in line with the topic description, if it involves enough of the right participants, etc. The beneficiary's financial and operational capacity is also important. The **evaluation phase** concerns the project's excellence (e.g. the clarity and pertinence of the objectives, the soundness of the concept and the credibility of the proposed methodology), impact (the extent to which the outputs of the project would contribute to each of the expected impacts mentioned in the work programme under the relevant topic) and the quality and efficiency of the implementation process.

Only coordinators in projects requesting a funding of €500,000 or more from the Union will be subject to a **financial viability check**, in which they must prove that they have the resources to implement the project.

3.15 Customs 2020

Customs 2020 is an EU cooperation programme which **provides national customs administrations with the possibility to create and exchange information and expertise**. It allows joint development, the operation of major trans-European IT systems and the establishment of networks by bringing together national officials from across Europe. The programme has a budget of **€547.3 million**, covering the 2014-2020 period. The programme's general objective is to support the functioning and modernisation of the customs union in order to strengthen the internal market by means of cooperation between participating countries, their customs authorities and their officials. The general objective shall be pursued through the achievement of specific objectives:

- supporting customs authorities in protecting the financial and economic interests of the Union and the Member States, including the fight against fraud and the protection of intellectual property rights;
- increasing safety and security, protecting citizens and the environment;
- improving the administrative capacity of the customs authorities and strengthen the competitiveness of European businesses.

These specific objectives shall be achieved by:

- computerisation;
- ensuring modern and harmonised approaches to customs procedures and controls;
- facilitating legitimate trade;
- reducing compliance costs and the administrative burden;
- and enhancing the functioning of the customs authorities.

3.15.1 Eligibility

3.15.1.1 Geographical eligibility

All actions are open to officials working in customs administrations from the EU Member States and candidate and potential candidate countries that joined the programme (Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Turkey).

3.15.1.2 Eligible sector and activities

The eligible partners are local and regional authorities or administrations states.

The programme is objective-driven which means that all actions have to refer to the objectives and priorities outlined in the programme regulation and the resulting Annual Work Programme:

- Joint actions (bringing together officials from participating countries) – Seminars and workshops; project groups; working visits; monitoring activities; expert teams; customs administration capacity building and supporting actions; studies; jointly developed communication actions; etc.
- IT capacity building – Development, maintenance; the operation and quality control of the Union components of the European Information Systems established under Union law; etc.
- Human competency building – common training actions to support the necessary professional skills and knowledge relating to customs.

The grant focuses on the implementation of the following priorities for 2018:

- implementing the Union Customs Code (UCC) and developing and deploying the related electronic customs systems;
- facilitating legitimate trade and **increasing the effectiveness and efficiency of customs controls**, including the cooperation with other enforcement agencies and bodies involved in the process;
- replying to the increasing demand for customs to ensure that goods harmful for security, health, safety and the environment are duly controlled when crossing the borders of the EU;
- implementing the European Union Strategy and Action Plan for customs risk management;
- collaborating with third countries and international organizations;
- implementing the Customs Union Performance (CUP);
- and implementing a human competency building framework for customs.

3.15.1.3 Eligible costs

The co-financing rate for grants shall be up to 100% of the eligible costs where the latter are travel and accommodation costs, costs linked to the organisation of events and daily allowances. That rate shall apply to all eligible actions with the exception of expert teams. For this category, the annual work programmes will specify the applicable co-financing rate.

The eligible costs (and the co-financing rate) can differ between actions. In the case of joint actions for example (except expert teams), the grant will take the form of a combination of:

- reimbursement of the eligible costs actually incurred by the beneficiaries for the following items:
 - travel costs of their delegates up to 100%;
 - costs linked to the organization of events in the framework of a given joint action up to 100%;
 - direct personnel costs up to 50% for officials participating as experts in customs administration capacity building and supporting actions;
- and reimbursement on the basis of unit costs for daily allowances and accommodation costs for national delegates.

It is important to study [the programme's supporting documents](#) to clearly identify the relevant funding rules for every planned type of action.

3.15.2 Assessment and selection process

The grant is awarded on the basis of the following criteria:

1. **Eligibility** criteria – The beneficiaries of the grant will be the Member States and other eligible countries fulfilling the conditions for participation. The proposed activities must correspond to the types of eligible actions listed.
2. **Selection** criteria – The financial and operational capacities of the beneficiaries will not be verified, since they are public administrations.
3. **Award** criteria – The grant will be awarded based on its relevance and cost-efficiency for achieving the objectives and the expected results of the project.

3.16 EEA and Norway grants

The [EEA and Norway grants](#) represent the contribution of Iceland, Liechtenstein and Norway to **reducing economic and social disparities and strengthening bilateral relations** with 15 EU countries in Central and Southern Europe and the Baltics. This improves the functioning of the internal market and contributes to

building a stronger Europe. In total, Iceland, Liechtenstein and Norway have provided €3.3 billion through consecutive grant schemes between 1994 and 2014. A further **€2.8 billion** has been made available in the 2014-2021 funding period. The support is mostly channelled through individual programmes covering a range of different sectors. Each partner country agrees on a set of programmes with the donor countries, based on their national needs and priorities and the scope for cooperation. In order to find relevant funding opportunities, every organization need to consult what is funded in their country. It is important to note however that a new Fund for Regional Cooperation was launched on 24 January 2018, **supporting regional cross-border and transnational projects proposing shared solutions to Europe’s common challenges**. A total of **€34.5 million** has been allocated to this fund. The following subchapters will concentrate on this new international financial instrument.

3.16.1 Eligibility

3.16.1.1 Geographical eligibility

Projects shall involve entities from at least three countries, including at least two Beneficiary States. Each project must include one lead partner and at least two beneficiary partners of which at least one must be from a Beneficiary State. There is no limit on the maximum number of beneficiary partners. The Beneficiary States of the EEA and Norway grants are Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. Entities established in the following non-EEA third countries can also join the consortia as beneficiary partners: Albania, Belarus, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro, Russia, Serbia, Turkey and Ukraine.

3.16.1.2 Eligible sector and activities

Eligible project partners may be entities, public or private, commercial or non-commercial, non-governmental organisations and academia established as legal persons, including but not limited to:

- municipalities, organisations owned or partly owned by municipalities;
- regions, organisations owned or partly owned by regions;
- organisational units of central government, state enterprises;
- civil society organisations, non-profit organisations, social enterprises;
- companies;
- cooperatives (manufacturing, housing, consumer, etc.);
- social partners (trade unions, chambers of commerce and industry, etc.).

Natural persons are not eligible consortium members.

With a view of achieving the objectives, the financial contributions are available in the following priority sectors:

- Innovation, research, education and competitiveness;
- Social inclusion, youth employment and poverty reduction;
- **Environment, energy, climate change and low carbon economy** – Under this area, the Fund seeks projects that focus on the resource-efficient and sustainable use of natural capital, reducing the vulnerability to climate change and a push towards a less carbon intensive and more energy secure economy. Focus areas:
 - Environment and Ecosystems;

- Renewable Energy, Energy Efficiency, Energy Security;
- and Climate Change Mitigation/Adaptation;
- Culture, civil society, good governance, and fundamental rights and freedoms; and
- Justice and home affairs.

Within the current call for proposals, regional cross-border and transnational project ideas focusing on soft measures like knowledge-sharing, the exchange of good practices and capacity building will be considered for funding. The Fund seeks innovative project ideas that propose new solutions to common challenges. Project partners may cooperate in one of two ways:

1. Regional cross-border cooperation between eligible countries (focusing on broader regional challenges); and
2. Transnational cooperation between eligible countries (focusing on common European challenges).

The following communication activities are mandatory: developing a project level communication plan, establishing a dedicated website in English for the project, organizing at least one major and two minor annual information activities and arranging a launch as well as a closing event.

3.16.1.3 Eligible costs

The project consortium is required to provide project co-financing. The project grant rate shall be determined with reference to the status of the individual consortium members, as follows:

- non-governmental organisations – up to 90% of their eligible expenditures (up to 50% of the required co-financing may take the form of in-kind contributions – voluntary work);
- universities and research organisations – up to 90% of their eligible expenditures;
- any expertise partners from the Donor States – up to 100% of their eligible expenditures;
- other entities – up to 85% of their eligible expenditures.

The final date for the eligibility of expenditures for projects is 30 April 2024. The amount of grant assistance applied for within a project shall not be less than €1 million, but there is no maximum grant amount per project.

In particular, the following categories of direct expenditures are eligible provided that they satisfy the general criteria for eligibility:

- The cost of staff assigned to the project, comprising actual salaries plus social security contributions and other statutory costs included in the remuneration, to the extent that they relate to the cost of activities which the relevant partner would not carry out if the project were not undertaken.
- Travel expenses and related subsistence allowances of staff taking part in the project, not exceeding the per diem rates published on the EU's website.
- Cost of consumables and supplies.
- Cost of equipment, but only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be eligible.
- Costs arising directly from the requirements imposed by the project contract (report by an independent auditor, cost of financial guarantees, etc.).
- Costs entailed by other contracts awarded by a project partner for the purposes of carrying out the project.

- Non-recoverable value added tax (VAT).

A flat rate of 15% of the total eligible staff costs of the project is eligible under indirect costs, representing the general administrative costs.

3.16.2 Assessment and selection process

The call follows a two-step evaluation procedure. In the first step, only concept notes shall be submitted for evaluation. Successful applicants from the first step will be invited to submit a full proposal. The concept notes will be reviewed by the fund operator against the following criteria:

1. ADMINISTRATIVE criteria – The concept note is drawn up in English, submitted before the deadline in the prescribed format, the project costs are presented in EUR, etc.
2. ELIGIBILITY criteria – The applicants are eligible entities and their proposed consortium is in line with the requirements of the call, the budget proposal is within parameters, etc.
3. SELECTION criteria – The concept note:
 - a. demonstrates a strong understanding of the thematic issues to be addressed;
 - b. outlines a clear, innovative and sound strategy to meet the objectives;
 - c. clearly outlines the added benefits of a multinational project consortium;
 - d. and demonstrates a clear logical line from project idea to quality results.

Other relevant factors: the composition of the consortium (e.g. the number of countries/beneficiary partners involved, the inclusion of third countries, the involvement of expertise partners); sustainability, donor visibility, relevance and impact.

3.17 Interreg Central Europe Programme

[Interreg](#) (European Territorial Cooperation – ETC) is one of the two goals of the European Union’s Cohesion Policy, built around three strands of cooperation: in addition to promoting cross-border cooperation between two neighbouring countries, there are also Interreg programs aimed at transnational and interregional cooperation. The focus is on promoting joint actions and policy exchanges between national, regional and local actors from different Member States for the harmonious economic, social and territorial development of the Union as a whole.

The [Interreg Central Europe Programme](#) is a funding programme of the EU Cohesion Policy’s objective “European Territorial Cooperation” running from 2014 to 2020. The total programme budget is €246 million – **€231 million** out of this will be made available for financing transnational cooperation projects. The funds come from the European Regional Development Fund (ERDF).

The programme’s main objective is to cooperate beyond borders in Central Europe to make the cities and regions better places to live and work. Put more precisely, transnational cooperation should become the catalyst for **implementing smart solutions that answer to regional challenges in the fields of innovation, low-carbon economy, environment, culture and transport.**

3.17.1 Eligibility

3.17.1.1 Geographical eligibility

Covering an area of over 1 million km², Interreg Central Europe is home to around 146 million people. Nine EU Member States cooperate in the programme, including Austria, Croatia, the Czech Republic, Hungary, Poland, Slovakia and Slovenia, as well as eight federal states from Germany and nine regions from Italy. In



exceptional and duly justified cases, organisations from outside the programme area (but inside the European Union) can become project partners and receive co-financing. Their participation needs to bring clear added value and expertise to the implementation of a project and must benefit the programme area. The ERDF allocated to a single project for such partners together with the ERDF spent outside the programme area cannot exceed 20% of the total ERDF contribution to the project. Partners from non-EU countries can also participate but will not receive any ERDF funds. They could act as associated partners.

10 Location of the programme area of Interreg Central Europe (Interreg Central Europe website)



3.17.1.2 Eligible sector and activities

The following institutions can participate in a project:

- national, regional and local public bodies (including EGTCs);
- private institutions, including private companies, having legal personality;
- and international organisations acting under the national law of any Member State participating in the programme or – with restrictions – under international law.

To form a partnership, at least three financing partners from at least three countries with at least two of the partners located in the programme area have to cooperate. Experience shows that a relevant and manageable partnership should not exceed 12 partners, however, larger partnerships are possible if justified by the project’s scope. The recommended project duration is from 24 to a maximum of 36 months, taking into account that the latest possible end date for a project is 31 December 2021.

The programme supports three types of activities: policy support, practical implementation and capitalisation. Practical implementation activities can be explorative and/or have a pilot character. Projects can combine policy support and practical implementation activities or set a specific focus on only one of both.

Projects should in all circumstances foresee capitalisation activities that make results available to target audiences so that they can be rolled out or mainstreamed.

There are four priority axes with specific objectives in the Central Europe Programme:

1. Cooperating on innovation to make Central Europe more competitive
 - a. To improve sustainable linkages among actors of the innovation systems for strengthening regional innovation capacity in Central Europe
 - b. To improve skills and entrepreneurial competences for advancing economic and social innovation in Central European regions
2. **Cooperating on low carbon strategies in Central Europe**
 - a. **To develop and implement solutions for increasing energy efficiency and renewable energy usage in public infrastructures**
E.g. transport infrastructure (railway, road, **waterways**, terminals, etc.) – novel energy saving technologies.
 - b. To improve territorially based low-carbon energy planning strategies and policies supporting climate change mitigation
 - c. To improve capacities for mobility planning in functional urban areas to lower CO2 emissions
3. Cooperating on natural and cultural resources for sustainable growth in Central Europe
 - a. To improve integrated environmental management capacities for the protection and sustainable use of natural heritage and resources
 - b. To improve capacities for the sustainable use of cultural heritage and resources
 - c. To improve environmental management of functional urban areas to make them more liveable places
4. **Cooperating on transport to better connect Central Europe**
 - a. **To improve planning and coordination of regional passenger transport systems for better connections to national and European transport networks**
E.g. improving connections to the TEN-T network and transport nodes.
 - b. **To improve coordination among freight transport stakeholders for increasing multimodal environmentally-friendly freight solutions**
E.g. enhancing efficiency, reliability and quality of greener freight transport modes (rail, **river or sea transport**).

Each project can target only one programme priority and one programme specific objective, however, contributions to other priority axes and programme specific objectives are possible.

3.17.1.3 Eligible costs

The EU co-financing rate for applicants from Croatia, the Czech Republic, Hungary, Poland, Slovakia and Slovenia is 85% of the total eligible project costs, while for applicants from Austria, Germany, Italy and outside the programme area but inside the EU, it is 80%.

It is recommended that Central Europe projects should have a total budget ranging from €1 to 5 million. In exceptional cases, smaller or larger projects can be supported. In any case, partners should ensure that the financial size of the project truly reflects the activities foreseen in the work plan and that it is based on the principles of sound financial management.

Project budgets must be structured according to the following budget lines that have been simplified and harmonised with other Interreg programmes:

- **Staff costs**
They can be reimbursed according to the real costs or a flat rate up to 20% of direct costs other than staff costs. These include salary payments and any other costs directly linked to them.
- **Office and administrative expenditure**
They shall be reimbursed by the programme according to a flat rate of 15% of eligible staff costs. Direct costs falling under this budget line are not eligible.
- **Travel and accommodation costs**
Costs under this budget line refer to the expenditure on travel and accommodation of the staff of the beneficiary for missions necessary for the implementation of the project (e.g. participation in project meetings, project site visits, meetings with the programme bodies, seminars, conferences, etc.). Eligible cost items under this budget line are travel costs, costs of meals, accommodation costs, Visa costs and daily allowances. Travel and accommodation costs of external experts and service providers can be reimbursed only under the external expertise and services budget line.
- **External expertise and services costs**
Costs under this budget line refer to external expertise and services provided by a public or private body or a natural person outside of the beneficiary organisation and they should not exceed 50% of the total eligible budget.
- **Equipment expenditure**
Eligible cost items under this budget line are office equipment, IT hardware and software, furniture and fittings, laboratory equipment, machines and instruments, tools or devices, vehicles or other specific equipment needed for the project. When drafting the proposal, the above equipment items shall be categorised within two categories: equipment for general (office) use and thematic equipment.
- **Infrastructure and works expenditure**
Costs for infrastructure and works outside the Central Europe programme area are not eligible.

Approved projects which signed the subsidy contract with the MA can receive a lump-sum amounting to €15,000 reimbursing their preparation and contracting costs.

The following expenditure should be considered as not eligible in all cases:

- in-kind contributions;
- fines, financial penalties and expenditure on legal disputes and litigation;
- costs of gifts (except those not exceeding €50 per gift and €500 for the entire project lifetime);
- costs related to fluctuations of a foreign exchange rate;
- interest on debt;
- purchase of land;
- recoverable VAT;
- charges for national financial transactions;
- costs for alcoholic beverages;
- splitting cost items among project partners (i.e. sharing of common costs);

- discounts not considered when claiming the costs (only the discounted amount is to be regarded as eligible);
- and fees between beneficiaries of a same project for services, equipment and work carried out within the project.

3.17.2 Assessment and selection process

Following a formal/administrative compliance check and – in the case of private lead applicants – a lead applicant financial capacity check, each proposal is assessed on its contents against four strategic and operational assessment criteria:

STRATEGIC ASSESSMENT

1. Relevance

- a. Intervention logic – e.g. How relevant is the project proposal in relation to the targeted programme specific objective considering its thematic focus, if applicable, and the expected result? Are the specific project objectives, expected results and outputs clearly defined and consistent?
- b. Policy and territorial relevance – e.g. How relevant is the project for the existing needs/challenges of the territories and the existing policy framework applicable for the project scope?
- c. Innovativeness

2. Partnership

- a. Partnership expertise and competence – e.g. Does the lead applicant have sufficient experience and capacity to manage a transnational cooperation project?
- b. Partnership composition and transnational cooperation approach – e.g. Are all partners actively involved to jointly implement the foreseen activities and have a defined role?

OPERATIONAL ASSESSMENT

3. Implementation

- a. Methodology and work plan – e.g. Is the planned approach suitable to obtain the intended outputs and results? Are the work plan and timing of activities, deliverables and outputs realistic, consistent and transparent?
- b. Management and communication – e.g. Does the management structure show sufficient potential to secure sound financial management of the project? Are the communication objectives relevant for transferring and sustaining the outputs?

4. Budget

- a. Value for money, budget coherence and partner contributions – e.g. Are the financial contributions of the partners balanced?

3.18 Interreg Alpine Space Programme

The [Alpine Space](#) programme is a European transnational cooperation programme for the Alpine region. It provides a framework to facilitate cooperation between economic, social and environmental key players in seven Alpine countries, as well as between various institutional levels such as academia, administration, business and innovation sector, and policy making. The programme is financed through the European Regional Development Fund (ERDF) as well as through national public and private co-funding of the Partner States. In the current programming period, the programme is investing **€139 million** in projects through which key actors develop **shared solutions for prevalent Alpine issues**.



3.18.1 Eligibility

3.18.1.1 Geographical eligibility

The cooperation area of the Alpine Space programme covers the Alps and their surrounding lowlands, connecting very distinct regions, such as the French Rhone Valley with the Slovenian Adriatic coast, and the metropolitan area of Milan with the Bavarian foothills. This diverse area at the heart of the EU represents an attractive region to work and live in, for 70 million inhabitants, covering a surface of 390,000 km² and comprising some of the most important European metropolitan areas. Furthermore, it is a major contact zone where different European cultures and languages (Germanic, Roman and Slavic) meet. The participating countries are Austria, Liechtenstein, Switzerland, Slovenia and some parts of France, Germany and Italy.

3.18.1.1 Eligible sector and activities

The programme addresses public authorities on national, regional and local level, institutions of higher education, as well as enterprises, business support organizations, NGOs and associations. Any project must involve at least 4 participants from 4 different countries.

Three types of projects have been identified in the Alpine Space programme:

- Strategic policy development – analytical and research activities involving policy owners;
- Explorative and piloting activities – developing new tools/methodologies and testing them to find the most appropriate means for strategy implementation;
- Policy implementation – focusing on fully developed instruments for the concrete implementation of a policy.

Four thematic fields have been identified for the 2014–2020 period:

Priority 1: Innovative Alpine Space

- Improve the framework conditions for innovation in the Alpine Space
- Increase capacities for delivery of services of general interest in a changing society

Priority 2: Low Carbon Alpine Space

- Establish transnationally integrated low carbon policy instruments
- **Increase options for low carbon mobility and transport**
Development of new tailor-fitted solutions to increase **low carbon transport** thanks to transnational networks; support for research to business networks and cooperation structures and thus for the development, testing and implementation of new low carbon applications and technologies, etc.

Priority 3: Liveable Alpine Space

- Sustainably valorise Alpine Space cultural and natural heritage
- Enhance the protection, the conservation and the ecological connectivity of the Alpine Space ecosystems

Priority 4: Well-Governed Alpine Space

- Increasing multilevel and transnational governance in the Alpine region

3.18.1.2 Eligible costs

The project participants from EU Member States are co-financed by the ERDF up to a maximum rate of 85% of the eligible costs. As Liechtenstein and Switzerland are not members of the European Union, project participants from these countries are not eligible for ERDF co-financing, however, they may receive public contribution from their countries. An average budget is around €2 million.

For the preparation activities, the programme grants a lump sum of €20,000 for total eligible costs (corresponding to maximum €17,000 ERDF) if the project is approved.

Staff costs – They can be co-financed by the programme on the basis of real costs or a 20% flat rate of the direct costs reported under the budget lines Travel and accommodation costs, External expertise and services costs and Equipment expenditure. Unpaid voluntary work is not eligible and per diems cannot be reported under this budget line.

Office and administration expenditure – This is covered by a flat rate of 15% of the reported staff costs, and it can include office rent, utilities, office supplies, maintenance, repair and cleaning, etc.

Travel and accommodation costs – These shall be limited to travel costs (e.g. tickets, travel and car insurance, fuel, car mileage, toll and parking fees), the costs of meals, accommodation costs, visa costs and daily allowances (costs higher than the country limit for daily subsistence allowances are not eligible).

External expertise and services costs – This budget line covers expenses related to professional services and expertise provided by external service providers (other than the project partners) contracted to carry out certain activities linked to the delivery of the project (i.e. studies, surveys, training, translations, promotion, communication, etc.).

Equipment expenditure – Equipment can only be co-financed if it is necessary for the project implementation or considered as a project output.

3.18.1 Assessment and selection process

Projects are normally selected in a two-step application procedure. The first step is the submission of the expression of interest, while the second step is the submission of the application documents (i.e. the complete application form along with the partnership agreement).

The assessment criteria for the first step are the following:

1. The project's context (relevance and strategy) and cooperation character
 - a. The project must address common territorial challenges of the programme or a joint asset of the programme area, with a real demand.
 - b. The project must demonstrate its contribution to a wider strategy on one or more policy levels.
 - c. The importance of a transnational approach to the topic addressed is clearly demonstrated and reflected in the planned activities.
 - d. The project must demonstrate new solutions that go beyond the existing practice.
2. The project's contribution to the programme's objectives, expected results and outputs
 - a. The project's results and outputs must be clearly linked to a programme priority and its indicators.

- b. The project's results and outputs must be in accordance with the needs of the selected target groups.
3. Partnership relevance
 - a. The project must involve the relevant institutions needed to address the territorial challenge/joint asset and the objectives specified.

3.19 Interreg Europe Programme

The [Interreg Europe Programme](#), financed by the ERDF, was designed with the aim to **improve the performance of regional development policies and programmes**. It allows actors of regional importance across Europe to exchange practices and ideas on the way public policies work and find solutions to improve their strategies. By creating opportunities for sharing these solutions, Interreg Europe aims to ensure that government investment, innovation and implementation efforts all lead to an integrated and sustainable impact. It also supports exchange of experience and sharing of practices with the goal of integrating and deploying the lessons learnt by cooperation within mainstream regional policy instruments. The programme has **€359 million** for **2014-2020**.

3.19.1 Eligibility

3.19.1.1 Geographical eligibility

The direct beneficiaries are staff and organisations across all the regions of the EU – plus Norway and Switzerland – who are involved in designing and delivering policies in the four topics of the programme. Partners coming from other countries can participate at their own costs. Projects have to involve partners from at least three countries, from which at least two partners must be from EU Member States, financed by the Interreg Europe programme. The recommendation is to set up a partnership between 5 to 10 partners.

3.19.1.2 Eligible sector and activities

Any of the following organisations are eligible for Interreg Europe funding:

- national, regional or local public authorities;
- institutions governed by public law (e.g. regional development agencies, universities);
- and private non-profit bodies.

The programme finances two types of actions:

- Interregional cooperation projects: partnerships made up of relevant policy organizations from different countries in Europe work together to exchange their experiences on a particular policy issue; each region involved in the cooperation project produces an action plan.
- Policy Learning Platform: a space where any organization dealing with regional development policies in Europe can find solutions and request expert support to improve the way they manage and implement their public policies.

The Interreg Europe programme has a thematic focus on the following four policy topics:

1. Research, technological development and innovation
2. Competitiveness of SMEs
3. **Low-carbon economy**

Policies in this topic must facilitate the move to more sustainable, low-carbon alternatives for transport and mobility by introducing cleaner transport modes and systems, and by promoting alternative mobility behaviour. A possible project under this priority can be regional and city authorities sharing experiences on sustainable mobility measures, resulting in action plans that prepare actions and investments to increase the use of low-carbon transport options to be funded.

4. Environment and resource efficiency

In total, a project can last between 3 and 5 years:

- Phase 1 lasts from 1 to 3 years. It is expected that the vast majority of projects would need a minimum of two years. This part is solely dedicated to the exchange of experience among project partners and preparing the action plans (e.g. interregional site visits, meetings with the stakeholder group).
- Phase 2 lasts 2 years, as the impacts of the measures on the territories can usually be assessed within this time. There may be cases where the good ideas discovered during Phase 1 will first need to be tested before being introduced.

3.19.1.3 Eligible costs

Public bodies and bodies governed by public law will be co-financed at a rate of 85%, private non-profit bodies at a rate of 75%, Norwegian organizations at 50%, while organizations from Switzerland need to contact the Swiss national point of contact to receive information on Swiss funding opportunities.

The budget table in the application form provides for a sub-division into the following budget lines:

11 The budget lines of the AF (Interreg Europe Programme manual)

Budget line	Recommendations, rules	Applicable for
Staff costs	usually the largest share of the total budget, approximately 50%	the personnel/staff employed by the partner institutions officially listed in the AF
Office and administrative expenditure	flat rate of 15% of the Staff costs	
Travel and accommodation costs		
External expertise and services costs	usually less than 50% of the total budget	external experts (including their Office and administrative expenditure + travel, equipment costs)
Equipment expenditure	aim for office equipment not exceeding €5,000 – €7,000 per project	the personnel/staff employed by the partner institutions officially listed in the AF

Preparation costs are fixed as a lump sum of €15,000. The pre-defined activities related to Phase 2 are not reimbursed based on real costs but also based on a lump sum. However, a real cost reporting will apply to the costs related to pilot actions (if a project applies for pilot actions in Phase 2 and those are approved by the monitoring committee). The average total ERDF budget of a project is expected to be between €1 and €2 million.

3.19.2 Assessment and selection process

The application is fully online: all of the documents (i.e. the AF, the Partner declaration for all partners and the Letters of support from the MAs of the policies addressed by the project) must be submitted online via the iOLF system. After submission, each application is subject to a two-step selection procedure.

At first, project proposals are checked against the **eligibility criteria**, a ‘yes or no’ process, in order to ensure that they fulfil the technical requirements of the programme, e.g.:

- Was the online application submitted in due time?
- Is the application form fully and properly filled in?
- Are at least half of the policy instruments addressed by the EU partners represented in the project Structural Funds programmes?

The second step is the **quality assessment**, divided into two categories:

1. Strategic assessment criteria – to assess the project’s contribution to the achievement of the programme objectives.
 - a. Relevance of proposal (the relevance of the theme tackled and the proposed approach)
 - b. Quality of results (the tangibility, relevance, innovative character and durability of the results)
 - c. Quality of partnership (coherence between the objectives of the project and the partnership, proportionate involvement of all partners, good mix of regions)
2. Operational assessment criteria – to assess the consistency and feasibility of the proposed project, as well as its value for money.
 - a. Coherence of the proposal and quality of approach (coherence of the proposed approach, quality of the work plan, consistency of the project with the EU horizontal policies and compliance with the state aid rules)
 - b. Communication and management (quality and coherence of the communication strategy, the communication activities, clarity of the project coordination and management structures/procedures)
 - c. Budget and finance (value for money, consistency of the budget)

A score of 1 to 5 is attributed to each quality criterion which will result in an average score per project. Based on the completion of the first part of the quality assessment (the strategic assessment stage), the monitoring committee decides on the list of projects to be further assessed. Projects that have successfully passed the strategic and operational assessment and have reached at least an average score of 3 are recommended for approval.

3.20 Interreg Balkan-Mediterranean Transnational Cooperation Programme

The **Balkan-Mediterranean 2014-2020** is a new cooperation programme, deriving from the split of the South East Europe 2007-2013 Programme and the endurance of the participating countries to **promote cooperation in the area**. It is the first time that the EU addresses the Balkan Peninsula and the Eastern Mediterranean Sea together, in a joint effort across maritime and terrestrial borders. The programme supports the sharing of know-how and experience, the improvement of public policies, and networking between national, regional and local authorities and other territorial actors. The total budget, including national contributions, is **€39,727,654**.



3.20.1 Eligibility

3.20.1.1 Geographical eligibility

The programme brings together five countries: three EU Member States (Bulgaria, Cyprus and Greece) and two candidate countries (Albania and Macedonia).

3.20.1.2 Eligible sector and activities

The following types of partners are eligible under the programme:

- public bodies (national, regional or local public authorities);
- bodies governed by public law;
- and non-profit bodies governed by private law.

Bodies governed by public law and non-profit bodies governed by private law must be operational for at least 24 months to apply as Lead Partners or at least 12 months to apply as Project Partners. The participation of profit-making private enterprises is not eligible. Projects selected shall involve partners from at least three participating countries, with at least one of them from an EU Member State. The partnership scheme must not exceed a maximum call-specific number of partners (usually around 8), including the Lead Partner and cannot be consisted solely of non-profit bodies governed by private law.

A strong thematic focus has been promoted in the programme to address two key challenges:

1. Entrepreneurship and Innovation
2. **Environment**

Environment-related issues (i.e. the deterioration of the environment, the inefficient use natural resources) are the main challenges to address. **Marine and maritime planning coupled with coastal zones' management** can provide a promising testing area for transnational cooperation potential in order to alleviate joint pressure from overall marine and maritime activities. The development and implementation of common strategies and approaches will foster the protection and sustainable use of natural heritage. The development of common brands is also foreseen as it creates a favourable environment for sustainable tourism practices. There are three specific objectives in this topic:

- a. **natural ecosystem management;**
- b. efficient resource management of the waste, soil and water sector; and
- c. improved transnational governance capacities on environmental legal framework.

Some of the indicative types of project activities for the implementation of the BalkanMed Programme can be the following:

- setting up transnational strategies for institutional networks;
- **the development of common systems and common operational tools;**
- disseminating technologies, processes, know-how and innovative management systems;
- promoting pilot projects and experimental tools with a transnational dimension;
- **implementing small-scale investments** as facilities, or infrastructures of limited size/scope essential to the successful implementation of a pilot activity.

The project's size and duration shall be specified in each call-specific Application Package.

3.20.1.3 Eligible costs

For the overall cooperation area, a co-financing rate of 85% is applied.

As a general rule, programme level expenditure shall be eligible if it has been actually paid between 1 January 2014 and 31 December 2023. The project budget must be structured according to the following budget lines:

- Staff costs – They can be reimbursed by the programme either on the basis of real costs, or a flat rate of (up to) 20% of the direct costs other than staff costs.
- Office and Administrative expenditure – They can be reimbursed by the programme either on the basis of real costs, or a flat rate of (up to) 15% of the staff costs.
- Travel and Accommodation costs – This budget line refers to expenditure on travel and accommodation of the staff of the partner organisation participating in the project activities that relate to the delivery of the initiative.
- External Expertise and Services costs
- Equipment expenditure
- Investments expenditure and costs of Works – **Transport infrastructure is not eligible.**

3.20.2 Assessment and selection process

After submission, each project proposal will be subjected to a three-phase selection procedure.

1. The first phase consists of the **administrative criteria**. Projects will be checked for their administrative compliance, in order to confirm that the proposal has arrived within the set deadline and that the AF is complete and conforms to the requirements (e.g. it was delivered in the correct format, in English).
2. The second phase consists of the **eligibility criteria**. These criteria examine whether the proposal fulfils the minimum requirements on the structure of the transnational partnership, the general compatibility with the programme objectives and principles, the funds requested, etc. Eligibility criteria can be answered with a “Yes” or “No”.
3. The third phase consists of the **quality criteria** – an in-depth assessment of the project. Quality criteria are grouped into two categories: the quality of the content and the quality of the implementation potential. The quality assessment is based on a scoring system: the maximum total score a project may achieve is 100 points. Two assessors will be assigned for the evaluation of each project and the final score shall be the average of the two scores. If there is deviation by more than 20% between the two scores, the project will be reevaluated by a third assessor. Overall, a project proposal – in order to be financed by the programme – must obtain a rating equal or greater than the minimum score entitling a project to be financed: 60 points.

3.21 Interreg Danube Transnational Programme

The [Danube Transnational Programme](#) (DTP) is a financing instrument of the European Territorial Cooperation. DTP promotes **economic, social and territorial cohesion in the Danube Region through policy integration in selected fields**. In order to achieve a higher degree of territorial integration of the very heterogeneous Danube region, the programme acts as a policy driver and pioneer to tackle common challenges and needs in specific policy fields where transnational cooperation is expected to deliver tangible results. Considering its geographical coverage, the programme provides a political dimension to transnational cooperation which is unique in Europe. DTP finances projects for the development and practical

implementation of policy frameworks, tools and services and concrete small-scale pilot investments. Strong complementarities with the broader EU Strategy for the Danube Region (EUSDR) are sought.

The total programme budget is **€274.6 million**, including the EU support (€231.9 million) from ERDF, IPA II and ENI as well as the national counterpart (€42.7 million).

3.21.1 Eligibility

3.21.1.1 Geographical eligibility

The programme covers 14 countries: 9 of them are EU Member States (Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Germany – Baden Württemberg and Bayern, Romania, Slovakia and Slovenia) and 5 are not (Bosnia and Herzegovina, Moldova, Montenegro, Serbia and Ukraine – Chernivetska Oblast, Ivano-Frankiviska Oblast, Zakarpatska Oblast and Odessa Oblast).

12 The location of the programme area of DTP (Interreg Danube Transnational Programme website)



3.21.1.2 Eligible sector and activities

Each project has to involve at least three partners (bodies governed by public law, international organisations or private bodies) from three different countries of the programme area; at least one (the Leading Partner) has to be located in a Member State.

DTP is structured across four Priority Axes that intend to develop coordinated actions in the programme area, reinforcing the commitments of the Europe 2020 strategy towards the three dimensions of smart, sustainable and inclusive growth. The projects supported by DTP must form transnational partnerships to cooperate together in the following four thematic priorities and specific objectives:

1. Innovative and socially responsible Danube Region
 - 1.1. Improve framework conditions for innovation
 - 1.2. Increase competences for business and social innovation

2. Environment and culture responsible Danube Region
 - 2.1. Strengthen transnational water management and flood risk prevention
 - 2.2. Foster sustainable use of natural and cultural heritage and resources
 - 2.3. Foster the restoration and management of ecological corridors
 - 2.4. Improve preparedness for environmental risk management

3. Better connected and energy responsible Danube Region

The priority tackles common challenges related to environmentally-friendly, low-carbon and safe transport systems including **inland waterways, ports and multimodal links** in order to contribute to sustainable regional and local mobility, modal integration and intelligent transport. The programme also intends to support the **regional connectivity** and the **balanced accessibility of urban and rural areas**. The better management of regional mobility and the better permeability of the borders at regional level should ensure that urban and rural areas benefit from the opportunities created by the major transportation networks developed at European level. The Specific Objectives covered by Priority 3 are:

- 3.1. Support environmentally-friendly and safe transport systems and balanced accessibility of urban and rural areas**
- 3.2. Improve energy security and energy efficiency
4. Well-governed Danube Region
 - 4.1. Improve institutional capacities to tackle major societal challenges
 - 4.2. Support to the governance and implementation of the EUSDR

In principle, the following types of actions are supported under the programme:

- the development of common orientations, frameworks and strategies in fields of transnational relevance where early policy development is needed;
- the development and practical implementation of transnational tools and services (e.g. analytical, management, technical, software and monitoring tools);
- the preparation of transnational investments to be financed through other sources;
- pilot activities/small-scale fixed investments (of a testing or demonstrational nature);
- the development and practical implementation of training and capacity building;
- and accompanying information, dissemination, capitalisation and publicity measures to inform stakeholders and/or the general public about the project activities and outcomes.

The following indicative types of actions may be considered to contribute to Specific Objective 3.1:

- Contributing to the development of integrated transport frameworks and other joint coordination measures for the Danube Region. Improving coordination and transnational integration among transport stakeholders for a better governance and management of environment-friendly transport corridors. Contributing through policy integration to building a mutually interconnected transport system, i.e. connect the lower level transport routes to the TEN-T system.
- Contributing to better integrated policies and practical solutions to further develop waterways by transferring know-how and good practices in the scope of waterway infrastructure, maintenance and management, fleet modernisation or port (infrastructure) development.
- Contributing to a more effective information sharing, dialogue and integrated approaches to limit the impacts of transport systems on the Danube ecosystem, taking into account the environmental

legislation and promoting intersectoral cooperation, establishing more effective cooperation between waterway administrations and Protected Area administrations.

- Improving coordination and transnational integration among transport stakeholders to further develop multimodal hubs, terminals and links, meanwhile contributing to the development of efficient multimodal terminals at Danube river ports and dry ports to connect inland waterways with rail and road transport. Identifying new markets and cargo flow, encouraging a modal shift from road to waterway, supporting the cooperation of multimodal terminals alongside the Danube, improving the efficiency of cross-border movements of cargo on the external EU borders, harmonising the technical, safety, legal, organisational and other aspects of transport modes and networks.
- Contribute to a safer transport network by improving frameworks, developing concrete environmentally-friendly and sustainable transport solutions and providing the training, technology and reporting tools to build and sustain national, regional and local capabilities and share experience and knowledge of the effective road safety programmes in the region.

3.21.1.3 Eligible costs

Selected projects are financed up to 85% of their costs.

Project expenditures are eligible under the following budget lines:

1. **Staff costs:** the costs of the personnel employed by the beneficiary institution and executing tasks for the project management (project coordinator, project manager, assistant, financial manager, etc.) and/or tasks for the project's content related activities.
2. **Office and administrative expenditure:** The office and administrative costs related to the project shall be declared on a flat rate basis of 15% of the eligible staff costs of the project.
3. **Travel and accommodation costs:** The project related travelling costs of the project staff employed by the beneficiary are eligible for financing as costs actually incurred or as per diems.
4. **External expertise and service costs:** These shall be limited to the following services and expertise provided by a public or private law body or a natural person other than the beneficiaries of the project:
 - a. studies or surveys (e.g. evaluations, strategies, concept notes);
 - b. training, translations, financial management, intellectual property rights, verifications;
 - c. IT systems, website, modifications and updates;
 - d. promotion, communication, publicity or information linked to the project;
 - e. services related to the organisation and implementation of events or meetings;
 - f. the participation in events (e.g. registration fees);
 - g. legal consultancy and notarial services, technical and financial expertise;
 - h. the provision of guarantees by a bank or other financial institutions where required
 - i. travel and accommodation for external experts, speakers, chairpersons and service providers;
 - j. other specific expertise and services needed (e.g. preparation – maximum €17,500)
5. **Equipment expenditure:** The purchase, rent or lease of the following equipment is eligible under this budget line: office equipment, IT hardware and software, furniture and fittings, laboratory equipment, machines and instruments, tools or devices, vehicles and other specific equipment needed.

6. **Infrastructure and works:** Only small-scale infrastructure is eligible where the transnational impact of the investment is demonstrated. Eligible investments either follow a transnational physical or functional link over the national border (e.g. infrastructure investments in ports, railways, routes, inland waterways and road junctions improving the operability of a transnational transport corridor) or create a transferable practical solution through a case study in one area, which is jointly evaluated by the project partners and transferred for testing in at least two other participating countries.

3.21.2 Assessment and selection process

The assessment is based on an assessment matrix consisting of the following criteria groups:

- **Relevance of the proposal** – The main aim is to determine the extent to which the project is in line with the thematic focus of the programme and the call for proposals (e.g. demonstrated need for transnational cooperation).
- **Strategic assessment criteria** – The main aim is to determine the extent of the project's contribution to the achievement of the programme objective(s) and result(s) (e.g. territorial challenges, coherent intervention logic, contribution to EU strategies, partnership, target groups).
- **Operational assessment criteria** – The main aim is to assess the viability and feasibility of the proposed project, as well as its value for money in terms of resources used against the delivered outputs and results (e.g. workplan, management structure, communication activities, budget).

Each criteria group is assessed on a basis of sub-criteria, with each being scored from 0 (not present/missing) to 5 (very good). The relevance assessment is carried out first and independently from the strategic assessment. Only projects successfully passing the relevance assessment are assessed strategically. By the same logic, only projects successfully passing the strategic assessment are assessed operationally. The knock-out threshold for both the relevance and the strategic assessment is set at 60%. The project proposals scoring overall 75% or more will be recommended by the JS for immediate selection.

3.22 Interreg MED Programme

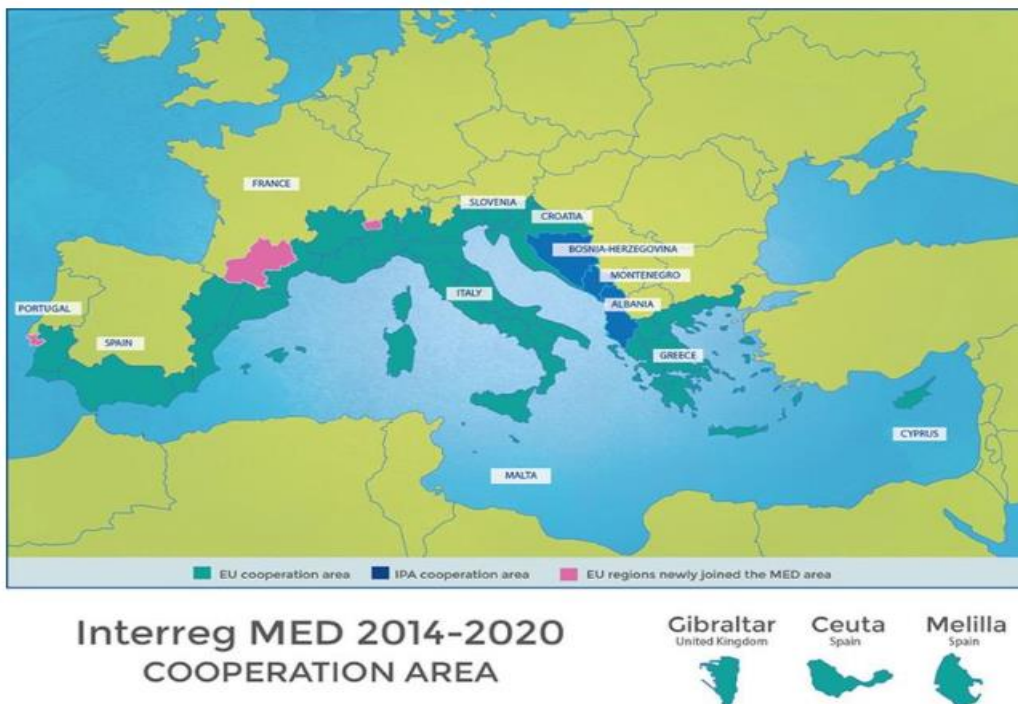
The transnational European Cooperation Programme for the Mediterranean area, the [Interreg MED Programme 2014-2020](#) focuses on the rise of low carbon economy, the protection of natural and cultural resources and the strengthening of innovation. The main objective of the Interreg MED Programme is **to promote sustainable growth in the Mediterranean area by fostering innovative concepts and practices and a reasonable use of resources and by supporting social integration through an integrated and territorially based cooperation approach**. The total budget for the 2014-2020 period amounts to **€265 million** composed of ERDF, IPA and national co-funding.



3.22.1 Eligibility

3.22.1.1 Geographical eligibility

13 Interreg MED cooperation area (Interreg MED Programme website)



The Interreg MED Programme consists of 57 regions divided among 10 EU Member States (Croatia, Cyprus, France – 5 regions, Greece, Italy – 19 regions, Malta, Portugal – 3 regions, Slovenia, Spain – 6 regions + Ceuta and Melilla and the United-Kingdom – Gibraltar) and 3 countries from the IPA (Albania, Bosnia-Herzegovina and Montenegro). The full partnership should not consist of more than fifteen institutions, sufficiently mixed for an efficient and coherent geographical coverage of the area and gathering the necessary skills for the success of the project.

3.22.1.2 Eligible sector and activities

The project must be led by a state or regional public authority (NUTS I or II) such as ministries, regions, national or regional thematic agencies directly managed by public authorities. As a minimum requirement, the partnership must involve at least four financing partners from at least four different countries from the Interreg MED Programme area, with at least three of the partners located in the Union part (three ERDF partners). The size of the partnership should reflect the scope of the project and remain manageable.

The Interreg MED objectives identify four main Priority Axes and seven Specific Objectives:

1. Promoting Mediterranean innovation capacities to develop smart and sustainable growth;
 - a. to increase the transnational activity of innovative clusters and networks of key sectors of the MED area;
2. Fostering low carbon strategies and energy efficiency in specific MED territories: cities, islands and remote areas;
 - a. to increase the capacity for the better management of energy in public buildings at transnational level;

- b. to increase the share of renewable local energy sources in energy mix strategies and plans in MED territories;
 - c. to increase the capacity to use existing low carbon transport systems and multimodal connections among them;**
- 3. Protecting and promoting Mediterranean natural and cultural resources;
 - a. to enhance the development of a sustainable and responsible coastal and maritime tourism in the MED area;
 - b. to maintain biodiversity and natural ecosystems through strengthening the management and networking of protected areas;
- 4. Enhancing Mediterranean governance;
 - a. to support the process of developing multilateral coordination frameworks and strengthening the existing ones in the Mediterranean for joint responses to common challenges.

3.22.1.3 Eligible costs

The co-financing rate for partners not concerned by state aid is 85%. The co-financing rate for economic operators and structures concerned by state aid is 85% or 50%.

The Application Form must contain a detailed budget per partner structured by budget line and Work Package. The description of the budget lines is similar to [DTP's](#), but there are a few differences:

- the share of external expertise at project level should not exceed 50% of the total eligible budget, as beneficiaries of a project should be the actual implementers;
- instead of an Infrastructure and works budget line, the Equipment costs also contain small scale facilities or infrastructures which are essential for the implementation of the project.

3.22.2 Assessment and selection process

After the eligibility check, the project proposals are assessed in a two-step evaluation process, answering the following questions.

Strategic assessment criteria

1. The project's context (relevance and strategy): how well is a need for the project justified?
2. Cooperation character: what added value does the transnational cooperation bring?
3. The project's contribution to the programme's objectives, expected results and outputs: to what extent will the project contribute to the achievement of the programme's objectives?
4. Partnership relevance: to what extent is the partnership composition relevant for the proposed project?

Operational assessment criteria

1. Management: to what extent are the management structures and procedures in line with the project's size, duration and needs?
2. Communication and capitalisation: to what extent are the communication and capitalisation activities appropriate and forceful to reach the relevant target groups and stakeholders?
3. Work plan: to what extent is the work plan realistic, consistent and coherent?
4. Budget: to what extent is the budget coherent, proportionate, realistic and valuable?

The threshold for projects to be recommended for approval to the Steering Committee by the MA is 75 points out of 100 in the final assessment (representing 75% of the maximum reachable score). Each main question must reach a minimum average score of 5 points out of 10 in order to allow the project to be proposed for selection.

3.23 Interreg ADRION Programme

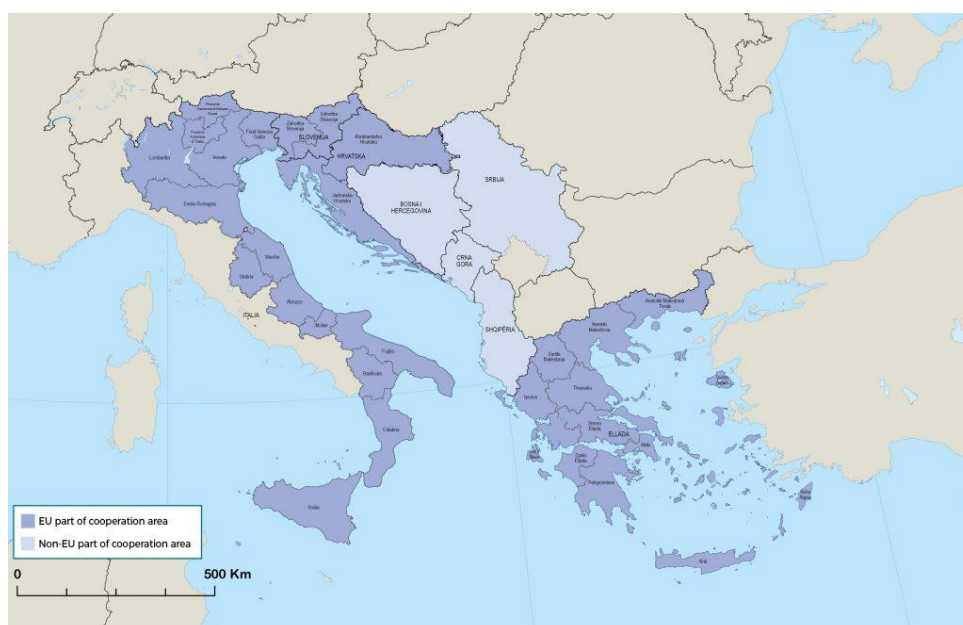
The Interreg V-B Adriatic-Ionian Programme, better known as **ADRION** is a European transnational programme with an aim to act as a policy driver and governance innovator, **fostering European integration**, taking advantage of the partner states' rich natural, cultural and human resources, as well as **enhancing economic, social and territorial cohesion** for the benefit of more than 70 million people in the Adriatic and Ionian region. By creating funding opportunities, ADRION's purpose is to contribute to reduce the disparities in the area. To achieve this, **€118 million** has been allocated, coming from two European financial sources: the ERDF and IPA II.

3.23.1 Eligibility

3.23.1.1 Geographical eligibility

ADRION covers eight countries, of which four are EU Member States (Croatia, Greece, Italy and Slovenia), three are candidate countries (Albania, Montenegro, Serbia) and one is a potential candidate country (Bosnia and Herzegovina). The geographical area of each partner state covers its national territory except for Italy, where the programme area only covers 12 regions and 2 provinces.

14 The cooperation area of the ADRION Programme (ADRION website)



3.23.1.2 Eligible sector and activities

The minimum eligible partnership comprises at least three financing partners from at least three partner states, out of which at least one partner must be from an ERDF partner state. As a recommendation, the partnership can be composed of up to 10 partners. The following bodies shall be considered as eligible partners:

- national, regional and local public bodies;
- bodies governed by public law;
- private bodies;
- and international organisations acting under the national law of one of the partner states (the last two have to be operational for at least the previous two fiscal years at the time of submission).

ADRION is structured into four Priority Axes but only Priority Axes 1-3 and their related specific objectives are open to calls for proposals:

1. Innovative and smart region

- a. Support the development of a regional innovation system for the Adriatic-Ionian area – The indicative topics are – among others – traditional sectors, such as **vessel construction**, logistics and **fisheries**; emerging sectors, such as **blue technologies**; **monitoring of the sea**, **deep sea resources**; environmental and energy technologies; sustainable tourist flow management, etc.

2. Sustainable region

- a. Enhance the capacity in transnationally tackling environmental vulnerability, fragmentation and the safeguarding of ecosystem services in the ADRION area – The indicative actions to be supported can be the development of transnational Special Spatial Plans (e.g. **Maritime Spatial Planning**); early warning systems for identifying, managing and preventing localised and diffusing pollution from various sources (**oil spills** from maritime transport and **marine litter** in general, **coastal industries and discharges, accidents**), etc.

3. Connected region

- a. Enhance the capacity for integrated transport and mobility services and multimodality in the Adriatic-Ionian area – For example, the development of joint approaches and instruments in the field of **maritime transport**, such as motorways of the sea and related **port infrastructure**/ITSs (Intelligent Transport Systems).

4. Supporting the governance of the EUSAIR

ADRION shall mainly support the delivery of the following outputs: networking structures; joint management systems and cooperation agreements; strategies and action plans; methodologies and tools; and pilot actions (small scale investments and demonstration projects).

3.23.1.3 Eligible costs

The EU co-financing is up to 85%; the remaining part has to be funded via public (national, regional or local) and private contributions.

Projects submitted within the framework of the ADRION Programme shall have an EU contribution request ranging from €800,000 and €1.5 million with a maximum duration of 24 months (although this can be a subject of change within different calls).

Eligible expenditure is grouped into the usual budget lines (Staff costs, Office and administrative expenditure, Travel and accommodation costs, External expertise and services costs and Equipment expenditure). The preparation costs shall have the form of a lump sum reimbursement of maximum €11,800 with no need to present invoices or other administrative justification for the incurred costs. The Office and administrative

expenditure related to the project implementation will be calculated automatically on a flat rate basis of 10% of the eligible direct staff costs.

3.23.2 Assessment and selection process

The assessment of the applications is coordinated by the Managing Authority and performed by the Joint Secretariat, with the support of the National Contact Points and external experts. The first step is the **Admissibility and Eligibility check**, aimed at verifying the respect of all formal and substantial minimum conditions of eligibility. The **Qualitative evaluation** is performed according to a list of criteria, assessing their degree of fulfilment by each project proposal:

1. Strategic assessment to determine the extent of the project's contribution to the achievement of the programme objectives (the project's context, relevance and strategy, its cooperation character, the relevance of the partnership, etc.).
2. Operational assessment to assess the viability and feasibility of the proposed project, as well as its value for money in terms of resources used in relation to the results delivered (management, communication, work plan, budget, etc.).

The overall evaluation of the proposals will result from summing up the awarding scores of the strategic and operational assessments.

3.24 Interreg V-A Austria-Germany

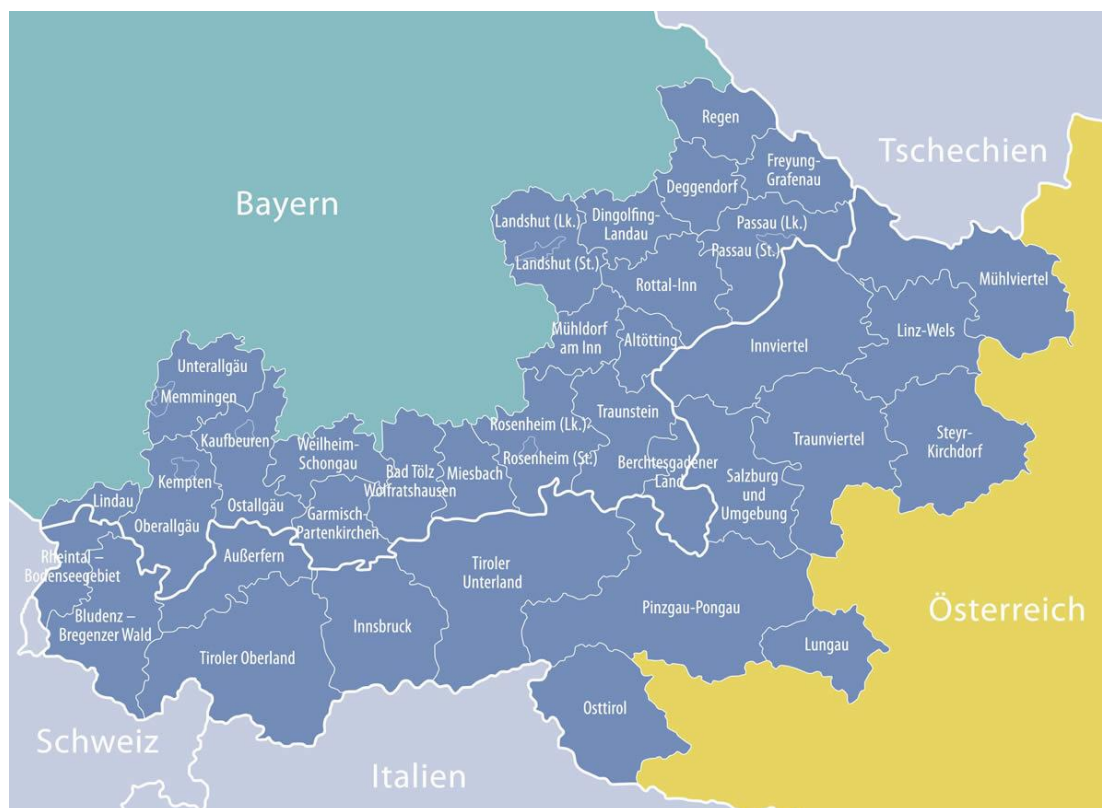
The [Interreg V-A Austria-Germany](#) programme is one of the 60 cross-border promotion programmes within the ETC. The special feature of cross-border ETC programmes is that the funding priorities are adapted to the needs and potential of the participating regions. The programme has been developed in partnership between the Free State of Bavaria and Austria since the end of 2012. Following negotiations with the European Commission, it was approved across Europe as the third cross-border funding programme on 3 December 2014. From the ERDF, €9 billion is available at European level for all ETC programmes from 2014 to 2020 – for this programme, this amounts to around **€54.5 million**.

3.24.1 Eligibility

3.24.1.1 Geographical eligibility

The applicants must be from Austria and Germany and their following regions:

15 The programme area of the Austria-Germany cross-border cooperation (Interreg V-A Austria-Germany website)



3.24.1.2 Eligible sector and activities

The programme is thematically divided into 3 priorities with a total of 7 Specific Objectives, to which each project must contribute in order to be eligible. This contribution is measured, among other things, by defined result and output indicators.

- **Research and innovation**

The program region has a high potential of research and development institutions, especially in the central areas. Promoting cross-border capacity will strengthen the peripheral and border areas in this regard. Central to this is the connection to program-specific strength fields, such as ICT, efficient production technologies, mechatronics, automation, robotics, energy management, energy efficiency and **renewable energies**, life sciences (especially biotechnology and systems biology), materials science and technology, **renewable raw materials (including biofuels)**, **electromobility**, **logistics**, **tourism** and the leisure industry, as well as wood research and the timber industry. In addition, SMEs are still relatively low in R&D activities, but cross-border technology transfer and the establishment of cross-border networks can boost their potential and increase their integration into the innovation system. Specific goals:

- the establishment and development of joint cross-border research, development and innovation capacities in the higher education sector and centres of excellence;
- increase in business-related cross-border research, development and innovation activities through the strengthening of the appropriate support structures.

- **Environment and resource efficiency**

Natural and cultural heritage are key factors in the social and regional identity of a region, however, they are also of great importance for their economic development. This potential has to be exploited ecologically and economically in order to increase the attractiveness of the region. The programme area is a highly sensitive region ecologically, given its topographical conditions. Therefore, the preservation of sensitive natural areas, coping with the consequences of climate change and cross-border protection area management deserve special attention. Specific goals:

- natural and cultural heritage valorisation in the context of sustainable cross-border tourism development;
 - the enhancement of biodiversity through the cross-border management structures of the protected areas, biodiversity partnerships, species and soil conservation projects;
 - **habitat and biodiversity protection through the establishment and development of green infrastructure.**
- **Better public administration**
 Different political, administrative and legal frameworks as well as different regional organizational structures still make cross-border cooperation difficult. The further development of cross-border cooperation structures and projects is seen as the core of cross-border programmes and should contribute to reducing these barriers. Specific goals:
 - strengthening cross-border structures to support regional governance and an instrument to promote cross-border initiatives and projects involving the civil society;
 - building and strengthening long-term and structural **cross-border cooperation** for greater social and economic integration as well as the **lowering of administrative and legislative barriers.**

3.24.1.3 Eligible costs

16 Financial allocation and funding rate by priority axis (by the author)

Priority axis	Specific goals	ERDF funds	Maximum funding rate
Broadening and improving cross-border research, development and innovation capacity	Development and expansion of joint, cross-border research, development and innovation capacities in the higher education sector and competence centres	€19.3 million	85%
	Increase of business-related cross-border research, development and innovation activities by strengthening the appropriate support structures		75%
Preservation and protection of the environment and promotion of resource efficiency	Valorisation of the natural and cultural heritage with regard to sustainable, cross-border tourism development	€16.7 million	75%
	Improvement of biodiversity through the cross-border management structures of the protected areas, biodiversity partnerships, species and soil conservation projects		
	Protecting the habitat and biodiversity through the establishment and expansion of green infrastructure		
Promoting cooperation in legal and administrative matters and cooperation between citizens and institutions	Strengthening cross-border structures to support regional governance and a tool to promote cross-border initiatives and projects involving civil society	€15.2 million	75%

Priority axis	Specific goals	ERDF funds	Maximum funding rate
	Establishment and intensification of long-term and structural cross-border cooperation for stronger social and economic integration as well as the reduction of administrative and legal barriers		

The budget lines are [similar](#) to other Interreg programmes', but there is further information available on the programme's [homepage](#).

3.24.2 Assessment and selection process

The project package must contain the following items: information about all project participants; a project description with the expected results; a work plan with concrete activities and outputs; the financing plan and the documents required for the implementation or for signing the Subsidy Contract (e.g. permits, partnership returns).

A project is in principle eligible if its content can be assigned to a Priority axis and a related Specific Objective. The fulfilment of at least three of the four cooperation criteria is also prerequisite for the project's approval: common elaboration and joint implementation are mandatory, in addition to either a joint staff or joint financing. Projects that actively contribute to horizontal principles (sustainable development, equality and non-discrimination and equal opportunities for men and women) will be prioritized.

Prior to the formal application, information must be provided to the competent Regional Coordination Point (RC) on the project idea. For this, the form "Project outline" is used, which can be found on the programme's homepage. The formal application is prepared on the electronic monitoring system of the programme (eMS). The access data (username and password) will be requested through the Regional Coordination Centres and by the JS, in the name of the Lead Partner. The latter is responsible for the project implementation. In addition to the electronic submission, the online application must be printed and signed by the Lead Partner. Making the decision about the approval of the projects is the responsibility of the Monitoring Committee. Projects with eligible costs up to €25,000 are subject to a simplified application and billing procedure and will be assigned to Specific Objective 6 without exception.

3.25 Interreg V-A Slovakia-Hungary

The [Interreg V-A Slovakia-Hungary](#) programme:

- aims at the joint protection, development and touristic utilization of the border regions' common **natural and cultural heritage** (e.g. joint water management, disaster avoidance, the creation of the right conditions for the renewal of cultural and architectural heritage, the development of cross-border sustainable tourism);
- fosters the European Union's enhanced internal connectivity as a unique and integrated economic space by providing better access for regional centres to the TEN-T network, as well as promoting **environmentally friendly regional public transport and logistics systems**;
- focuses on the development of key conditions for improving **labour mobility** and puts emphasis on the integration of the cross-border labour market, meanwhile fostering the improvement of accessibility to cultural and natural resources as well as **the creation of job opportunities** based on local potential and growth strategies;

- and aims to continue providing support for the **cooperation of public institutions and communities** living next to each other on either side of the border.

The total EU contribution is **€155,808,987**.

3.25.1 Eligibility

3.25.1.1 Geographical eligibility

The applicants must be from the following NUTS regions:

17 The programme area of the Interreg V-A Slovakia-Hungary cross-border cooperation (Interreg V-A Slovakia-Hungary website)



3.25.1.2 Eligible sector and activities

The partners have to be public bodies owned by the state, development agencies, regional and local tourism organisations, or SMEs. The minimum requirement for project partnerships is to have at least one Slovakian and one Hungarian partner, furthermore, each project partnership has to include minimum one SME as a beneficiary. The maximum number of partners involved is 4, including the Lead Partner. All beneficiaries have to take direct responsibility for the preparation and management of the proposed project activities both from a professional and a financial point of view and may not act as intermediaries. Beneficiaries shall be experienced, and their professional profile must be in line with their role and activities described in the project proposal. The maximum duration of a project is 16 months.

The programme focuses on four main priorities:

- Nature and culture – The aim of this priority is to increase the attractiveness of the border area by conserving, protecting, promoting and developing natural and cultural heritage.
- **Enhancing cross-border mobility** – The priority concentrates on increasing the density between border crossing points along the Slovakian-Hungarian border by connecting secondary and tertiary nodes to TEN-T infrastructure, including **multimodal nodes** and improving cross-border public transport/logistics services by developing **environment-friendly and low-carbon transport systems** in order to promote sustainable regional and local mobility. Possible actions: the construction of

- cross-border ferries**; the development of **cross-border intelligent transport systems**, passenger information systems, on-line schedules, e-ticketing, mobile apps, common tariff systems; etc.
- Promoting sustainable and quality employment and supporting labour mobility – The priority focuses on decreasing employment inequalities among the regions in order to improve the level of employment within the programming area by integrating cross-border labour markets, including cross-border mobility, joint local employment initiatives, information and advisory services and joint training.
 - **Enhancing cross-border cooperation of public authorities and people living in the border area** – The priority concentrates on improving the level of cross-border inter-institutional cooperation and broadening cross-border cooperation between citizens by promoting legal and administrative cooperation and cooperation between citizens and institutions. Possible actions: strengthening and improving the **cooperation** capacity and efficiency between **different organisations of particular sectors** through common **professional programmes, trainings, exchange of experiences, capitalisation and know-how transfer**; supporting activities focusing on the improvement of cross-border services provided jointly, the development of **small infrastructure necessary for joint service provision**; etc.

Expected impacts:

- 800,000 more visitors to the region;
- a decrease in the average distance between border crossing points from 22 km to 15 km;
- 60,000 more passengers taking cross-border public transport;
- an increase in the employment rate in the border regions from 63.2% to 65.2%;
- and an increased level of cross-border cooperation between authorities and communities.

3.25.1.3 Eligible costs

Each beneficiary can receive ERDF funding up to an 85% rate. The ratio between the national co-financing and the own contribution is set based on the legal form of the partner and the sector (public or private) they belong to, and according to the relevant national legislation. After the beneficiary identifies his project regarding the state aid rules, each partner has to choose the proper intensity of public resources according to the location and the type of organisation. All beneficiaries are requested to demonstrate the availability of their own contribution by a declaration. If the own contribution or a part thereof is secured from the budget of a municipality, city or county, a resolution of the respective decision-making body must be attached to the application. The resolution must state the name of the project and the amount of allocated commitments. Funding will take the form of reimbursements. The contribution from public resources provided to all beneficiaries is a non-repayable grant.

Projects not affected by the state aid rule:

18 Co-funding rates in the absence of state aid (Interreg V-A Slovakia-Hungary website)

HUNGARY

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Organizations according to national legislation ⁷	100%	85%	15%	0%
Other organizations	95%	85%	10%	5%

SLOVAKIA

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	100%	85%	15%	0%
Other public administration organizations	95%	85%	10%	5%
NGOs/NPOs	95%	85%	10%	5%
Private sector out of state aid schemes	90 %	85%	5%	10%

Projects affected by the state aid rule:

19 Co-funding rates in the case of state aid (Interreg V-A Slovakia-Hungary website)

HUNGARY

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
Organizations according to national legislation ⁸	100%	85%	15%	0%
Other organizations	95%	85%	10%	5%
Micro and small sized enterprises	85%	85%	0%	15%
Medium sized enterprises	85%	85%	0%	15%

SLOVAKIA

Type of beneficiary	Public resources (ERDF+SCF)	Community contribution (ERDF)	State co-financing (SCF)	Own contribution
State administration organizations	100%	85%	15%	0%
Other public administration organizations	95%	85%	10%	5%
NGOs/NPOs	95%	85%	10%	5%
Micro and small sized enterprises	85%	85%	0%	15%
Medium sized enterprises	85%	85%	0%	15%

The maximum total budget of the project depends on the number of enterprises receiving grants:

20 Maximum budget size (Interreg V-A Slovakia-Hungary)

Number of SMEs (CO02) included in project partnership	Maximum total budget of the project
1	220.000 €
2	440.000 €
3	660.000 €

Project budgets must be structured according to the following budget lines (like in the other Interreg programmes):

- Staff costs – They can be reimbursed according to the real costs or a flat rate of 10% or 20% of the direct costs other than staff costs; flat rate financing is obligatory when exclusively management staff is planned for the project implementation.
- Office and administrative expenditure – A flat rate of 15% of the eligible staff costs.
- Travel and accommodation costs
- External expertise and services costs
- Equipment expenditure
- Infrastructure and works expenditure

3.25.2 Assessment and selection process

The submission procedure is open-ended, therefore, the submitted applications will be continuously assessed (on a “first-submitted-first-assessed” basis). The start of the assessment rounds will be on the four-weeks principle from the date of launching a call. The call will be suspended once 125% of the financial allocation was reached by the submitted applications, but the MA is entitled to lift this suspension. Applications are to be submitted electronically together with the obligatory annexes and other relevant documents. The original documents have to be retained by the partners at their premises – they might be a subject of a monitoring visit, or on-the-spot checks performed by any of the responsible bodies of the programme.

The selection process has three steps: a formal and eligibility assessment, a sectoral assessment and a territorial assessment. The specific selection criteria can be found [here](#).

3.26 Interreg V-A Slovakia-Austria

The [Interreg V-A Slovakia-Austria](#) cooperation programme focuses on smart and sustainable growth in the Austrian-Slovakian border region. First of all, the programme aims at contributing to **smart specialisation and cross-border research**, driven by initiatives in the twin-capital region of Vienna and Bratislava. Secondly, it will promote the **sustainable management and protection of the natural resources** in the area along the former “iron curtain” and initiate new, **sustainable transport solutions**. These main objectives will be complemented by efforts to **strengthen governance and institutional cooperation** which shall lead to a better integrated border region. The ERDF contribution is **€76 million**.



3.26.1 Eligibility

3.26.1.1 Geographical eligibility

The programming area has around 4.7 million inhabitants, which is a third of the combined population in Austria and Slovakia. The border region is characterised by the twin city situation of Vienna and Bratislava, smaller regional growth poles like Trnava or Eisenstadt, and rural areas with numerous villages below 2,000 inhabitants, including several important nature protection areas.

21 The programming area of the Slovakia-Austria cooperation (Interreg V-A Slovakia-Austria website)



3.26.1.2 Eligible sector and activities

The cooperation programme has five priority axes (including Technical Assistance).

- **Priority axis 1: Contributing to a smart cross-border-region**
 - Strengthening the collaboration of key actors in the regional innovation system in order to enhance **knowledge transfer, capacity building** and the establishment of **common frameworks**, common research and innovation activities and joint research facilities
- Priority axis 2: Fostering natural and cultural heritage and biodiversity
- **Priority axis 3: Supporting sustainable transport solutions**
 - Improving joint planning, coordination and practical solutions for an **environmentally-friendly, low-carbon and safer transport network and services** in the programme area
- Priority axis 4: Strengthening cross-border governance and institutional cooperation
- Priority axis 5: Technical Assistance

3.26.1.3 Eligible costs

The budget lines are similar to other Interreg programmes'.

3.26.2 Assessment and selection process

The Joint Technical Secretariat has the overall responsibility for carrying out the assessment of the received applications and may consult regional experts on certain criteria. For the selection of the projects receiving

assistance under the programme, the responsibility stays exclusively with the Monitoring Committee (MC). The assessment process consists of three distinctive phases, each of them using a specific set of criteria: a formal check, an eligibility assessment and a quality assessment. The guiding principles for the selection are:

- the project content’s relevance for the programme (intended activities and outputs);
- the quality of the methods, the management and the organisation (logic, approach, capacity);
- the justification of the budget (economy, efficiency, transparency);
- the project’s regional dimension (coherence with key strategies at regional and national level);
- the quality of the partnership (balance, capacity, potentialities for synergies);
- the project’s cross-border impact;
- and the project’s sustainability (shared use after the project’s end, synergies with other ongoing/planned projects).

3.27 Interreg V-A Hungary-Croatia

The [Interreg V-A Hungary-Croatia](#) cooperation programme focuses on smart and sustainable growth in the Hungarian-Croatian border region, by reinforcing and expanding existing cooperation networks and contributing to a dynamic and lasting cooperation across the border. Due to its limited scope and specific cross-border nature, the programme’s guiding principle is to support selected cooperative strategic actions and pilot projects in priority fields, rather than large-scale interventions. The programme fosters the economic development of the border area by **supporting the creation and extension of the advanced capacities of SMEs** for product and service development. The programme also helps to **develop sustainable tourism** through establishing the basic infrastructure for an increased exploitation of **cultural and natural resources**. In order to restore and maintain **ecological diversity**, actions are foreseen to promote the more coordinated and sounder management of protected areas. In order to develop a specific local knowledge base and better understanding, the programme will support jointly developed and jointly delivered **educational and training services**. Finally, the programme aims to create new or strengthen existing **joint structures and shared processes** to ensure the continuous development of effective cooperation. The total EU contribution is **€60.8 million**.

3.27.1 Eligibility

3.27.1.1 Geographical eligibility

The programme area has a population of approximately 2.1 million people. It is mainly rural with a number of small and medium towns. The two largest urban centres – Pécs in Hungary and Osijek in Croatia – are situated in the eastern part of the border region.

22 The programming area of the Hungary-Croatia cooperation (Interreg V-A Hungary-Croatia website)



3.27.1.2 Eligible sector and activities

This is an indicative list of the potential organizations who can apply for funds:

- regional/county/local governments and their non-profit organisations;
- development agencies, EGTCs;
- NGOs;
- water/environmental management authorities, management organisations of national parks and environmental protection areas, state-owned forest companies;
- cultural institutions, tourist boards;
- universities, colleges and their non-profit organisations, educational and training organisations;
- labour centres, chambers;
- national/regional/local road authorities; etc.

The programme focuses on four main priorities:

- Enhancing the competitiveness of SMEs
- **Sustainable use of natural and cultural assets**
The infrastructural investments can be focused on **providing better access** to existing and potential tourists sites for the purpose of common utilization of cultural and natural heritage assets (including small scale access roads, **establishing ferry connections**, etc.).
- Cooperation – Enhancing institutional capacity and an efficient public administration
- Education – Investing in education, training, including vocational training for skills and lifelong learning by developing education and training infrastructure

Expected impacts:

- an increase in the average gross value added per capita of the industry and services sectors of the programme area;

- an increase in annual tourist overnight stays by 88,000;
- an increase in the number of habitats with the “A: Excellent conservation” status of selected Special Bird Protection Areas;
- and an increase in the number of educational institutions in the border region that offer courses jointly or with region- or neighbouring country-specific content from 29 to 90.

3.27.1.3 Eligible costs

A maximum of 85% of the total eligible expenditure of the project would be financed from EU contribution and the rest from state and own contributions. As a general rule, eligible costs shall be incurred in the programme area: expenditure from outside the programme area may be eligible if the project could only achieve its objectives with that expenditure, but a detailed explanation about the necessity of such activities, costs and their contribution to the project objectives is required.

The following cost categories are considered eligible:

- Preparation costs – The total amount of preparation costs that can be given to a project is €3,000 as a lump sum.
- Staff costs – These will be reimbursed based on the real costs or a flat rate of up to 20% of the direct costs (other than staff costs). The staff flat rate cannot exceed €100,000 per beneficiary.
- Office and administrative expenditure – This budget line is to be calculated as a flat rate of 15% of the staff costs.
- Travel and accommodation costs – It is important to note that if the beneficiary chooses the flat rate staff cost option, it is not entitled to have travel and accommodation costs at the same time.
- External expertise and services costs
- Equipment expenditure – Equipment for general (office) use is an eligible expenditure that is automatically granted to the selected projects in the form of a lump sum (maximum €1,000 per beneficiary).
- Investment and works – The construction, reconstruction and renovation of buildings, works and infrastructure.

3.27.2 Assessment and selection process

The most important selection criteria concerning the priority important for this document (Sustainable use of natural and cultural assets) are:

- the expected impact on the increase of tourism spending;
- the level of innovation in the valorisation of cultural and natural heritage;
- the environmental and economic sustainability of the project;
- the degree the project fits to the Handbook;
- and the degree of involvement of the relevant tourism-related professional or societal organisations as partners.

The use of local and nature- and environment-friendly materials and techniques will be preferred wherever possible.

3.28 Interreg V-A Romania-Bulgaria

The [Interreg V-A Romania-Bulgaria](#) programme's goal is to develop the border area between the two countries by financing joint projects. The total budget of the programme is **€258,504,126** (out of which €215,745,513 is ERDF).

3.28.1 Eligibility

3.28.1.1 Geographical eligibility

23 The eligible area (Interreg V-A Hungary-Croatia website)



3.28.1.2 Eligible sector and activities

The funds are allocated to 6 directions (priority axes):

- **A well-connected region**
 Relevant indicators: total length of reconstructed or upgraded roads; number of joint mechanisms (e.g. route guidance, incident/emergency detection and management, studies on traffic flows, feasibility studies addressing cross-border transport issues, traffic safety measures, black-spot maps, awareness raising activities) to facilitate the connection of secondary/tertiary nodes to TEN-T infrastructure; number of studies, strategies and action plans **to improve the safety of the navigation on the Danube and the Black Sea**; and total length of **new or improved inland waterways**.
- A green region
- **A safe region**
 Relevant indicators: population benefiting from actions of risk management; population benefiting from **flood protection measures**; population benefiting from forest fire protection measures; number of joint partnerships in the field of joint early warning and emergency response.
- A skilled and inclusive region
- **An efficient region**
 Relevant indicator: number of supported **cross border mechanisms** (agreements, networks, regulations, studies, policies, strategies, information exchange tools) to enhance cooperation capacity.

- Technical assistance

3.28.1.3 Eligible costs

The projects are financed from the ERDF (85%), Romania and Bulgaria (13%) and own contributions (2%).

Preparation costs are eligible in the maximum amount of 10% of the direct costs. Staff costs shall be reimbursed as a flat rate of maximum 15% of the direct costs for soft projects; for hard projects, the flat rate shall not exceed 5% of the direct costs. The beneficiaries may opt to use real costs for staff costs. Office and administrative expenditure shall be reimbursed as a flat rate of maximum 5% of the direct costs for soft projects and maximum 1% of the direct costs for hard projects. Otherwise, the description of the budget lines is similar to other Interreg programmes’.

3.28.2 Assessment and selection process

All projects will have to comply with the following set of quality requirements:

- Concrete, measurable and sustainable results and outputs – The results have to be relevant, visible and measurable. They also have to contribute to the results of the relevant priority axis of the programme and be achieved by the cross-border relevant outputs indicated in the AF. Both the outputs and the results have to be precise and show that they build on the present situation or existing knowledge in order to develop new solutions. They also have to be durable and able to become inputs in other initiatives (either towards other policies, plans and strategies or investments financed from other sources).
- Cross-border relevance – The project activities must contribute to the fulfilment of the programme’s specific objectives (one or more) by addressing challenges and needs that are shared across the border and cannot be solved by one side alone (irrespective of the national level involved). The outputs of the project have to display an added-value that is greater than the addition of outputs that would be possible to obtain if each national part would act independently.
- Partnership relevance – The partnership involves at least two partners (one from Romania and one from Bulgaria). The partners will prove their capacity to implement the activities of the project, obtain the planned outputs and results, and ensure their follow-up. The description of the activities will have to demonstrate the joint implementation of the project and the territorial integrated approach for treating specific needs.
- Effective management – The management structure and its procedures are clearly described, transparent, effective and efficient.
- Sound budget – The project budget has to be in line with the description of the activities and demonstrate coherence with the planned outputs and results within a value for money approach and respect the price ceilings on certain categories of acquisitions that are present in the call documents. The partner budgets will reflect the distribution of tasks while respecting a joint implementation approach.
- Coherent approach – The internal coherence between the inputs and the outputs/results should be clear and convincing.
- Sound communication – Communication will have to be effective (reach the target group) and adapted to the project objectives in order to be able to ensure the necessary dissemination of the project results and their follow-up and/or sustainability.

- Horizontal principles – All projects have to ensure the promotion of gender equality, non-discrimination and sustainable development.

3.29 Interreg IPA CBC Hungary-Serbia

Cross-border cooperation between Hungary and Serbia started in 2003 in the framework of the Hungary-Serbia Pilot Small Projects Fund (PSPF) under the Hungarian National Phare Programme. The PSPF aimed at supporting people-to-people actions and facilitating institution building projects of non-profit organisations along the Hungarian-Serbian border, as well as preparing potential applicants for future INTERREG funding opportunities. In the period 2004-2006, the Neighbourhood Programme Hungary-Serbia and Montenegro was implemented. The Neighbourhood Approach meant a significant development in cooperation along the external borders of the European Union, incorporating external (CARDS) and internal (ERDF) financial instruments. A major step forward for the partner organisations from Serbia was that in this case the funds were opened to them as well, making them applicants in their own right.

The [Hungary-Serbia IPA](#) Cross-border Cooperation Programme is an initiative within the 2014-2020 European Union financial framework, under the Instrument for Pre-accession Assistance (IPA). It was approved by the European Commission on December 15, 2015. The participating countries have established their programme management as a “shared management system”. Operating under the slogan “Good Neighbours Creating Common Future”, the programme supports the development of a **stable and cooperating region** and the overall **quality of life**. It also enables **economic collaboration between organizations** from the two countries, nurtures a **common identity**, and the **cultural and historical heritage** of the border region, and contributes to its **environmental sustainability and safety**. The EU contribution is €65,124,000; taking into consideration the national counterpart (including the contributions of the project partners), **the total budget of the programme is €76,616,474**.

The assistance is implemented through five components:

- Transition Assistance and Institution Building;
- Cross-border Cooperation (CBC);
- Regional Development;
- Human Resource Development; and
- Rural Development.

3.29.1 Eligibility

3.29.1.1 Geographical eligibility

The eligible area lies at the southernmost part of Hungary and the northernmost edge of Serbia. The landscape is characterised by the Great Plain region in terms of its topography and is connected by the Danube and Tisa rivers. In the two adjacent regions (South Banat and Srem), Community funding may finance expenditures up to a limit of 20% of the total Community contribution to the cross-border programme.

24 Hungary-Serbia IPA programme area (Interreg IPA CBC Hungary-Serbia website)



3.29.1.2 Eligible sector and activities

Eligible applicants are non-profit organizations governed by public or private law for the purposes of public interest; the following list is indicative:

- local governments and their institutions;
- development agencies;
- NGOs;
- water- and environmental management authorities;
- management organisations of national parks and environmental protection areas;
- tourist boards;
- public enterprises;
- universities, research institutes, educational organizations;
- labour centres, foundations, chambers of commerce; etc.

Applicants have to prove an operation of at least one year, counted back from the day of the submission of the application.

In order to achieve the overall strategic goal, five specific objectives are defined:

- **Reducing the isolation of border areas by improving cross-border accessibility**
- Environmental sustainability and safety in the border zone
- Synergies and cooperation in the economy
- Managing common cultural heritage to promote cultural values, traditions and tourism
- Intense cultural, educational and research interaction

The following priorities, intervention areas and activities have been identified to contribute to the achievement of the above objectives:

- **Priority 1: INFRASTRUCTURE AND ENVIRONMENT**

The aim of this priority is **strengthening the physical connections between the two sides of the border in order to reduce the isolation of the area** and take common responsibility for the environmental heritage and waterways of the border, thus, the priority aims to support infrastructural, environmental and water management developments.

- **1.1 Infrastructure for physical connections**
 - 1.1.1 **Border crossing** infrastructure, the construction and reconstruction of lead-up roads
 - 1.1.2 Planning **transport lines**, the harmonisation of public transport
- 1.2 Common responsibility for the environment
 - 1.2.1 Minor actions in water management
 - 1.2.2 Animal health monitoring, minor actions for improving the quality of the environment
- Priority 2: ECONOMY, EDUCATION AND CULTURE

The aim of this priority is to support interactions between actors from the two sides of the border to enhance competitiveness, facilitate economic growth, create jobs, develop a common regional identity, etc.

 - 2.1 Stimulating a synergic economy, tourism and R&D
 - 2.1.1 Trainings and partner finding facilitation for businesses
 - 2.1.2 Development of thematic routes of cultural heritage
 - 2.1.3 Coordinated studies for the territorial and sectoral development of the region
 - 2.1.4 Product oriented research, development and innovation
 - 2.2 Education and culture for a common mind
 - 2.2.1 Educational cooperation
 - 2.2.2 People-to-people cooperation

Therefore, various activities can be eligible for financing, such as infrastructure developments serving border crossings, the preparation of joint feasibility studies, exchanging good practices and promoting the best available technologies. The project implementation lasts between 6 months and 18 (or 24) months.

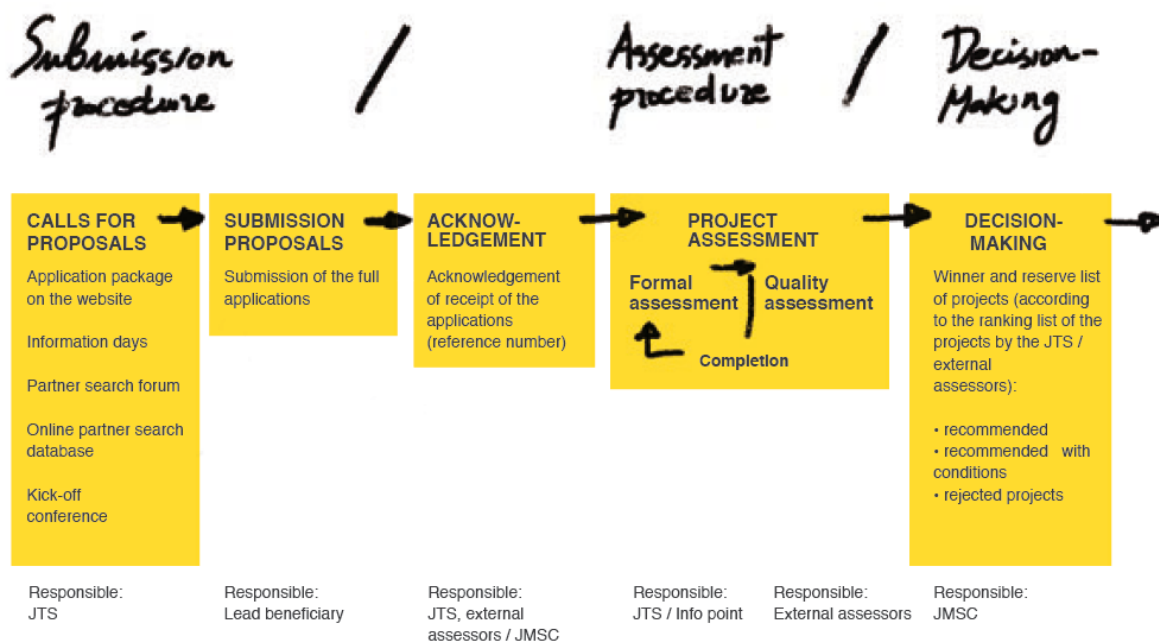
3.29.1.3 Eligible costs

The description of the budget lines is [similar](#) to other Interreg programmes', but further information can also be found [here](#).

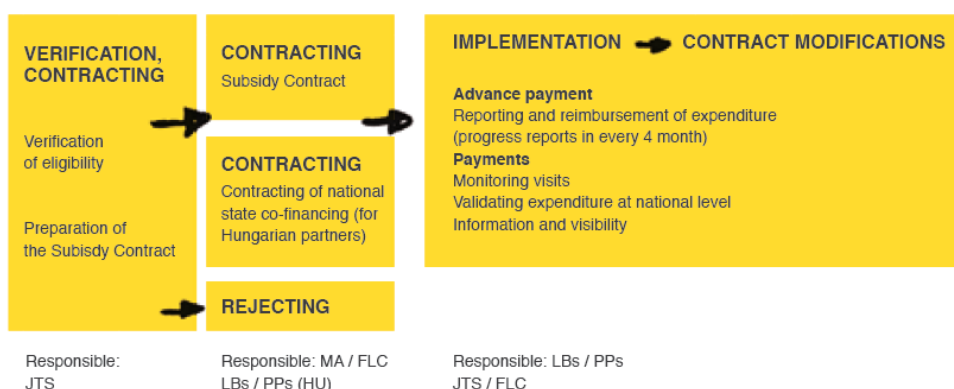
3.29.2 Assessment and selection process

The project applications are assessed by the Joint Technical Secretariat (JTS) for formal eligibility criteria while the external experts in the field of each of the programme actions assess the quality of the submitted initiatives. The Joint Monitoring and Steering Committee (JMSC) makes the final decision about the projects selected for financing.

25 The assessment, selection and implementation process of a Hungary-Serbia IPA project (Interreg IPA CBC Hungary-Serbia website)



CONTRACTING AND PROJECT IMPLEMENTATION PHASE



3.30 Interreg IPA CBC Romania-Serbia

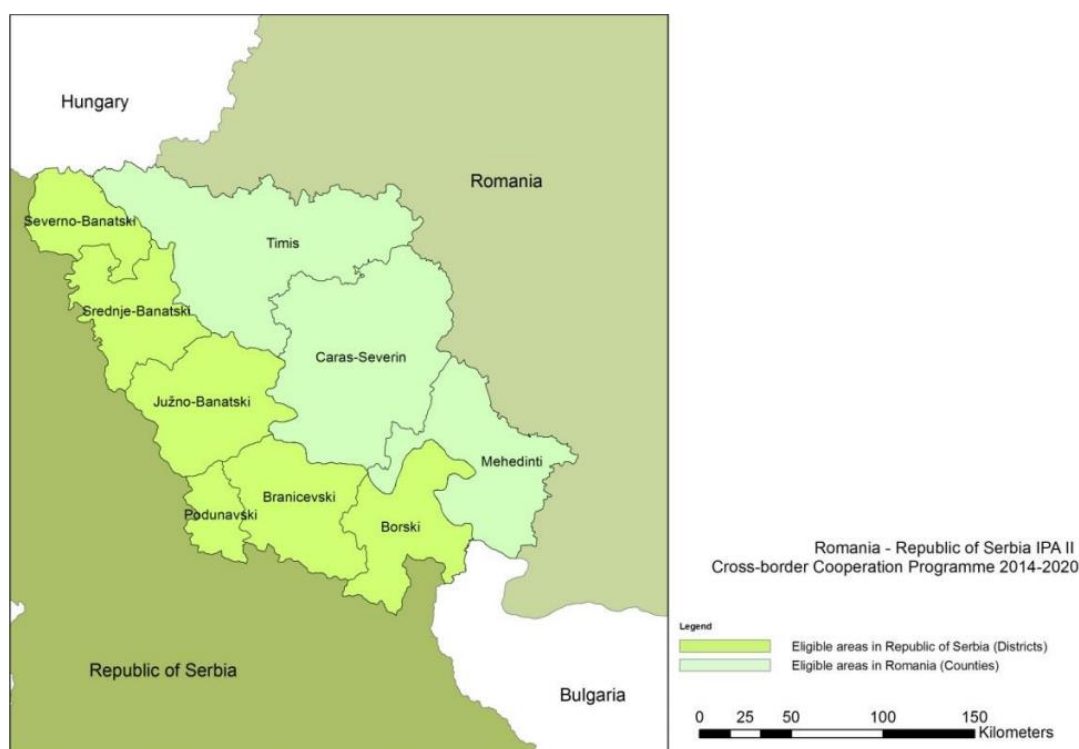
The [Interreg IPA CBC Romania-Serbia](#) Programme has been approved by the European Commission on 6 August 2015 and focuses on the development of the border area through **promoting employment, environmental protection and tourism**. The Romania-Republic of Serbia IPA Cross-border Cooperation for the 2007-2013 programming period, the 2003 Phare External Border Initiative Programme for Romania and the Neighbourhood Programme Romania-, Serbia and Montenegro 2004-2006 paved the way for this new integrated cross-border instrument to be implemented at the EU's external borders as of 2007, therefore, the conditions for cross-border cooperation are already in place and this CBC programme can concentrate on its strategic goal of **achieving a more balanced sustainable socio-economic development of the Romania-Serbia border area**. The overall programme budget comprises of €74,906,248 (IPA contribution), respectively **€88,124,996 (total budget)**.

3.30.1 Eligibility

3.30.1.1 Geographical eligibility

The eligible area for the 2014-2020 programming period will include three counties of Romania, and six districts of the Republic of Serbia. The programme area is at the centre of the European Danube Macro Region. The two partner countries contain a large share of the river basin, their total surface representing 10% of the basin in Serbia and 29% in Romania. The total area is 40,596 km² (53.1% in Romania/46.9% in Serbia).

26 The eligible area of the Interreg IPA CBC Romania-Serbia programme (Interreg IPA CBC Romania-Serbia website)



3.30.1.2 Eligible sector and activities

Indicative examples of potential applicants:

- regional/local public authorities (county councils, local municipalities, etc.);
- national/provincial/regional public authorities/bodies;
- other public bodies governed by public law (prefectures, health care institutions, educational and research institutions);
- offices/branches of national/regional public authorities/bodies;
- schools and educational institutions;
- NGOs;
- religious organizations;
- chambers of commerce and regional development agencies;
- museums, cultural, sports and touristic institutions; etc.

Four Priority Axes were identified in the programme:

- Priority Axis 1 – Employment promotion and basic services strengthening for an inclusive growth
 - Employment and labour mobility
 - Health and social infrastructure
 - Social and cultural inclusion
- Priority Axis 2 – Environmental protection and risk management
 - Environmental protection and the sustainable use of natural resources
 - Environmental risk management and emergency preparedness
- **Priority Axis 3 – Sustainable mobility and accessibility**
 - **Mobility and transport infrastructure and services**
The improvement of cross border mobility, security and integration; the accessibility of remote marginal areas; the enhancement **of the integration of local transport infrastructures and services in the main European transport corridors, especially the water ways connected to the Danube corridor**; etc.
Possible actions: establishing cross-border partnerships between relevant authorities; joint studies for the preparation of cross-border infrastructure investments with an emphasis on **multimodal solutions**; the development of integrated and environmentally friendly cross-border transport connections (e.g. IT monitoring); **intermodal transport services; transport on the Danube and on other rivers** within the eligible area, including **investments in infrastructure and the purchase of equipment for ports and water related mobility**; etc.
 - Public utilities infrastructure
- Priority Axis 4 – Attractiveness for sustainable tourism
 - Investments for the growth of the demand of local tourism networks and the promotion of innovative tourism activities
 - Capacity building initiatives for the improvement of the quality and innovation of the tourism services and products

Concerning the retention of all documents related to the implementation of a project, the partner must make them available until at least December 31, 2029.

3.30.1.3 Eligible costs

Each Priority Axis has its own detailed description of eligible costs and operations. The detailed budget of the application should always be prepared on the basis of the activities needed to meet the projects' objectives and the resources required to carry out these activities within the timeframe.

Only 'eligible costs' can be taken into account for financial support; the budget is therefore both a cost estimate and a maximum ceiling for the 'eligible costs' – based on real costs. The eligibility of an expenditure applies to both the public and the own contribution, so it is not possible to consider an ineligible expenditure as part of the own contribution. All in all, it is the applicant's best interest to provide a realistic and cost-effective budget.

The Lead Partner cannot act as a supplier (a contractor or sub-contractor that provides services and products for payment). Neither the Lead Partner's employees nor the organisation itself can act or get paid as external experts for the work done in the project.

Net revenues generated during the project are not eligible. 'Net revenue' means cash in-flows directly paid by users for the goods/services provided by the initiative (the use of infrastructure; the sale or rent of a land

or buildings; payments for services, excluding any operating costs and the replacement costs of short-life equipment incurred during the corresponding period; etc.). Operating cost-savings generated by the project shall be treated as net revenue unless they are offset by an equal reduction in operating subsidies.

3.30.2 Assessment and selection process

The selection of the projects will be carried out following a standardized assessment procedure using these sets of criteria:

- Strategic coherence – This criterion examines the coherence and contribution of each project proposal to the relevant Specific Objective addressed, the contribution to the envisaged results and the overall coherence of the planned activities with the indicative types of actions. Furthermore, the cross-border added value of the operation, its territorial dimension and the relevance of the partnership will also be assessed in this context.
- Coherence with state aid rules – Any state aid that might be provided under this programme shall comply with the procedural and substantive state aid rules applicable at the time when the public support is granted.
- Operative quality – This criterion examines the design of the project proposal in relation to the clarity and coherence of the operational objectives, the activities and means, its feasibility, efficiency, the communication about the project and its results, the potential for its uptake and embedment into other operative procedures of the partners involved.
- Compliance with horizontal principles – This criterion examines the project in consideration with the programme’s horizontal principles and the demonstration of their integration and advancement within the project proposal’s intervention logic.

Strategic projects will be selected through an open transparent procedure, based on specific selection criteria that will be defined according to the priority objectives.

3.31 Romania-Moldova ENI CBC

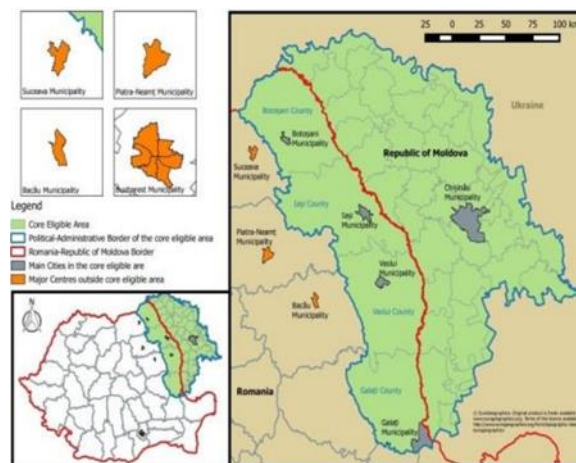
The [Romania-Republic of Moldova Programme](#) is one of the European Neighbourhood Instrument Cross-border Cooperation (ENI CBC) programmes concerning the external borders of the EU, with a budget of **€81 million** for 2014-2020. Its general objective is to **enhance economic development and improve the quality of life** for the people in the border area through **joint investments in education, culture, cross-border infrastructure and health**.

3.31.1 Eligibility

3.31.1.1 Geographical eligibility

The programme area consists of four counties of Romania (Botosani, Iasi, Vaslui and Galați) and the whole territory of Moldova, including four major social, economic and cultural centres: Bucharest, Suceava, Bacau and Piatra Neamt.

27 The programming area of the Romania-Republic of Moldova Programme (Romania-Ukraine-Republic of Moldova CBC website)



3.31.1.2 Eligible sector and activities

This is an indicative list of the potential beneficiaries:

- national/regional/local public administration and other public institutions;
- national/regional/local institutions acting in the field of health and social policies;
- NGOs, universities and research institutes;
- professional medical and other relevant associations;
- customs services, (border) police, other national/regional/local public institutions acting in the field of crime prevention;
- international organizations; etc.

Maximum four partners (including the Lead Partner) may participate in a project.

The process of identifying the specific needs of the border area was concluded with the selection of four specific thematic objectives:

- Support to education, research, technological development and innovation
- Promoting the local culture and preserving its historical heritage
- **Improving accessibility to the regions, the development of transport and communication networks/systems**

Transport in the core eligible area is dominated by road and rail, however, the region also presents a high potential for **river transport development** that should be acknowledged and acted upon.

Indicative actions can be:

- the construction, rehabilitation and modernization of cross-border transport infrastructure systems;
- developing environmentally friendly (carbon-proofed) cross-border transport initiatives and innovative solutions;
- **improving multimode transport (road/water) facilities of cross-border interest;**
- the elaboration of joint strategies/policies/plans for improving the cross-border transport infrastructure; etc.
- Common challenges in the field of safety and security

The project's duration must be initially planned as the total number of months needed to fully implement it, without specific dates (12-24 months), but all activities shall end by 31 December 2022 at the latest.

3.31.1.3 Eligible costs

The minimum co-financing to be ensured by the two countries is 10% of the EU contribution.

The eligible costs:

- incur during the implementation period of the project;
- are paid before the submission of the final reports;
- are indicated in the project's estimated overall budget;
- are necessary for the project's implementation;
- are identifiable and verifiable;
- comply with the requirements of the relevant tax and social legislation;
- are reasonable, justified, and comply with the requirements of sound financial management;
- and are supported by invoices or documents of equivalent probative value.

Subject to the conditions above, the following direct costs of the beneficiary shall be eligible:

- the costs of the staff assigned to the project (i.e. gross salaries);
- the travel and subsistence costs of the staff and other persons taking part in the project (reimbursed on the basis of lump sums, unit costs or flat rate financing);
- the purchase or rental costs of equipment (new/used) and supplies;
- the costs of consumables specifically purchased for the project;
- the costs entailed in the contracts awarded by the beneficiaries for the purposes of the project;
- the costs deriving directly from the requirements imposed by the ENI-CBC Implementing Regulation (e.g. information and visibility operations, evaluations, external audits, translations, bank transfers, financial guarantees).

Any project including an infrastructure component shall repay the EU contribution if – within five years of the project's closure or within the period of time set out in the state aid rules – it is a subject of a substantial change affecting its nature, objectives or implementing conditions which would result in undermining its original form.

3.31.2 Assessment and selection process

The programme is looking for proposals that envisage clear cross-border impact, support the achievement of the programme's expected results and outputs (i.e. each project must demonstrate its contribution to one expected result and at least one output in a clear, effective, quantifiable and verifiable way), fulfil clear quality criteria and demonstrate technical and financial viability.

The evaluation process will go through the following steps:

- Administrative and eligibility assessment
E.g. the project proposal has been submitted before the set deadline, filled out in the correct form, with the necessary documents attached.
- Technical and financial assessment

The appropriateness of the project to the problems and needs of the target group(s) and the final beneficiaries; its contribution to the programme; the quality of the intervention logic of the project; the partnership; the project's capacity to be successfully implemented and the initiative's sustainability are evaluated, among other things.

- Assessment of the supporting documents (only applicable to hard projects)

The requested supporting documents are:

- a detailed description of the infrastructure investment and its location;
- a detailed description of the capacity building component of the project;
- a full feasibility study carried out, including the options analysis, the results and an independent quality review;
- an assessment of the project's environmental impact;
- the evidence of ownership by the beneficiaries or the access to the land;
- and a building permit.

4 National financing instruments in the DBS Region

4.1 Austria

4.1.1 Funding of feeder lines and terminals (Anschlussbahn- und Terminalförderung)

Feeder lines enable companies to directly connect with rail and IWW freight transport. They facilitate intermodality and therefore support the shift from roads to ecologically friendly means of transport. The financial factor is the main restraint when confronted with the necessary investments in this respect. This is the reason why this programme grants direct non-refundable financial aid as co-funding to the total costs for new constructions as well as the rehabilitation and extension of existing feeder lines, with a **yearly budget of €8 million**.

The main objectives are:

- supporting **intermodality**;
- modal shift from road freight transport to more environmentally friendly modes of transportation;
- **reducing CO2 emissions**;
- and **improving trading opportunities**.

4.1.1.1 Eligibility

The programme invites all service providers – without any kind of discrimination – with a headquarter in Austria to apply for grants. The applicants have to meet the following criteria:

- The applicant must be the owner of the respective feeder line. Lent lines are not eligible.
- The applicant itself must financially contribute to the investment. In the case of a consortium with a community, they also have to provide financial aid to the project.
- Later relinquishment of the feeder line for money is restricted (the permission of the SCHIG is needed).
- The company has the obligation to transport at least 90% of the last 5 years' cargo for the next 5 years after receiving funding.

In the framework of the funding programme, the following activities are eligible:

- the construction, extension and modernisation of feeder lines and terminals;
- investments in existing feeder lines;
- and investments in existing mobile handling equipment in terminals.

The eligible costs are the construction costs, the costs for purchasing buildings and land and the fees of the external experts. The programme co-finances different projects in differing ways:

1. Investment projects are supported between €1.5 and €3 million, with investment in handling equipment limited to a maximum of €300,000 per project for 2 years. The selected projects are financed up to 15-20% of their eligible costs. They can have a duration of up to 36 months.
2. Studies, concepts and the collection of statistical data are supported with a maximum of €100,000. The selected projects are financed up to 50% of their eligible costs. The maximum duration of these projects can be 12 months.

4.1.1.2 *Assessment and selection process*

The application should contain information about the applicant; data on transport volumes, destinations before and after the project; a description of the investment; and the estimated costs. A legal permit (if needed), a construction plan, a financing plan and proof of the necessary economic and operational capacity of the applying company must be attached to the application form. These documents are submitted on paper and in digital form to the SCHIG, the Austrian Railway Infrastructure Service Company before the project's starting date.

The assessment is done by a Committee several times a year. First, the submitted application is examined by the affected railway company and approved by the SCHIG, though the BMVIT (Austrian Ministry of Transport) makes the final decision. The rejection or acceptance is communicated – whereas the rejection lists reasons for it, the acceptance comes with the requirements the applicant must meet to get the grant. With the presentation of the itemized bills and the proof of the fulfilment of the requirements, the financial aid is paid. The time from submitting the application to signing the contract takes approximately 3 months.

4.1.2 *Innovation Programme for Combined Freight Transport (IKV)*

The aim of this incentive is to **encourage the shift of current road freight transport to a combined system of railways and inland waterways** by diminishing the resulting higher handling costs. The programme provides **€3 million for approximately 20 projects per year**.

The main focuses of the programme are:

- promoting intermodal combined transport as an ecologically friendly mode;
- developing a more sustainable freight transportation system;
- and encouraging companies to shift their transport mode by providing financial support.

4.1.2.1 *Eligibility*

This financial aid package is not open for only companies within Austria – international projects can be supported, too. The programme invites freight forwarders, terminal operators and (innovative) companies to apply.

Applicants have to meet the following criteria:

- The applicants themselves have to contribute some of their own resources to the investment. In case of a consortium with a community, they also have to provide financial aid to the project.
- The applicant organization must have its HQ in Austria in order to qualify for aid, but the combined transport activity can be run internationally.

In order to receive financial aid, the project must use innovative technologies and systems to improve the combined/intermodal transport. The eligible activities can be concepts and studies as well as new transport equipment – from upgrading the existing system for combined and intermodal freight transport to supporting the shift of cargo from road to rail or IWW with new instalments, for example.

The recognition of costs starts on the application's date. A project can only be supported once with a financial aid ranging from €8,000 to €800,000. The programme co-finances eligible costs in the following way:

- transport equipment, innovative technology/systems (ICT and logistic) – maximum 30% of the investment;

- feasibility study, educational activities – maximum 50% of the general cost.

4.1.2.2 *Assessment and selection process*

The application has to include a detailed project description, a financing plan, a description of the project's impact on the economy and the environment and a prognosis of the expected shift in transport. Additionally, the applying company has to present its annual financial statement of the past three years and show creditworthiness.

The programme uses the call-system. The application needs to be submitted electronically to the SCHIG on time and before the project is started. The submitted application is examined by the BMVIT, the Arbeiterkammer (Chamber of Labour) and the ERP-Fonds (where a third party is concerned). The rejection or acceptance is communicated – the acceptance comes with the requirements the applicant must meet to get the grant and ensure the success of the project. With the presentation of the itemised bills to the ERP-Fonds, the financial aid is paid. Moreover, during the progress of the project aliquot payments can be received in advance. The applicant must pay back the whole sum if the requirements are not fulfilled which the BMVIT and the ERP-Fonds are allowed to check periodically.

4.1.3 *Mobility of the Future (Mobilität der Zukunft)*

The funding period lasts from 2012 to 2020 with a budget of **€15-20 million per year**. The programme grants non-refundable financial aid as co-funding of maximum 20% from the total costs. This money supports **research projects with expected medium- to long-term solutions for mobility-relevant social challenges**, within which freight transport is an important field. It is addressed to applied research with a link towards implementation.

The programme aims to improve society, the environment and the economy. It encourages the equal use and accessibility of transport systems and the sustainable supply of goods and services, meanwhile increasing the competitiveness of sustainable transport systems. It also aims to reduce CO2 emissions and the use of energy and resources.

4.1.3.1 *Eligibility*

The programme invites Austrian as well as international stakeholders from the industry and research institutions/universities to create cooperative research and development projects (universities and other research institutions, companies, NGOs and service providers).

Eligible projects include cooperative and strategic research with an application-oriented focus and dissertations on the following topics:

- **sustainable transport chains and networks;**
- sustainable first mile and last mile solutions for freight transport;
- sustainable freight transport in cities;
- **intermodal nodes/sustainable cargo transport centres;**
- **innovative means of transport;**
- **the development of alternative engines and fuel;**
- **technological innovations;**
- and **vehicle electronics.**

The programme co-finances eligible costs in the following way:

- costs for generating new applications by using academic research methodology – 100%;
- preparation costs for applied research – up to €200,000, representing 40-80% of the total budget;
- cooperative R&D projects – up to €2 million, representing 35-80% of the total costs for maximum 3 years;
- applied research of systems' solutions with long-term growth perspective – €2 million, representing 35-80% of the total costs for maximum 3 years over a period of 2-4 years.

4.1.3.2 *Assessment and selection process*

Calls are open on a half-a-year basis for 4 months, with different thematic focuses. The application has to include a detailed project description, a financing plan, a description of the project's impact on the economy and the environment and a prognosis of the expected shift in transport. Additionally, the applying organization has to present its annual financial statement of the past three years and show creditworthiness. The applications have to be submitted to the Austrian Research Funding Centre electronically. Within 4 weeks from submission, the formal check will be communicated – minor problems in the application can be corrected. If this formal check is passed, the content-related assessment is done by an independent jury (a team of national and international experts). Additionally, a hearing for clarifying some open questions will be organised. The jury assesses the applications and recommends a list of projects for funding. The BMVIT approves the final selection, and the Austrian Research Funding Centre takes over the implementation of the approved projects.

The assessment criteria are the following:

- the project's relevance in terms of reaching the programme's goals;
- the quality of the application;
- the qualifications of the staff;
- and the economic potential of the project idea.

4.2 Bulgaria

4.2.1 Operational Programme "Transport and Transport Infrastructure" 2014-2020 (OPTTI 2014-2020)

4.2.1.1 *Eligibility*

OPTTI provides for **the completion of major national routes and European Transport Corridors** on the territory of the country. The main investments are concentrated on projects with an advanced degree of implementation – mainly funded under OPT 2007-2013 –, aimed at their modernisation. The programme contributes to achieving Thematic Objective No. 4 "Support for the transition to a low-carbon economy in all sectors" and Thematic Objective No. 7 "Promoting sustainable transport and removing bottlenecks in all key network infrastructures" of the Europe 2020 strategy. The programme is consistent with the guidelines for the development of the European transport policy and the Trans-European transport network, as well as the national policies. The overall budget of is **€1,887,587,260**.

Seven specific objectives have been identified as part of the overall objective of the OPTTI 2014-2020 and – accordingly – the investment priorities of TO 7 and TO 4.

1. Attracting passenger and freight traffic by improving the quality of the railway infrastructure on the Trans-European transport network;
2. Removing bottlenecks on the roads of the Trans-European transport network;

3. Increasing the use of intermodal transport;
4. Increasing the use of metro;
5. Improving transport management through the implementation of innovative systems;
6. Improving the management of the railway network;
7. Establishing the necessary conditions for the successful completion of OPT 2007-2013 and the implementation of OPTTI 2014-2020, strengthening the administrative capacity and public awareness.

The following priority axes have been identified in the programme:

- Development of railway infrastructure along the core TEN-T
- Development of road infrastructure along the core and comprehensive TEN-T
- Improvement of the intermodal transport services for passengers and freights and the development of sustainable urban transport
- Innovations in management and services – the establishment of modern infrastructure for traffic management and transport safety
- Technical assistance

The provision of grants under the programme is implemented through direct award procedures.⁷ The beneficiaries of the OPTTI are:

- National Company "Railway Infrastructure" (NCRI)
- Road Infrastructure Agency
- Metropolitan EAD
- State Enterprise Air Traffic Services Authority (SEATSA)
- Executive Agency "Exploration and Maintenance of the Danube River" (EAPAA)
- Executive Agency "Maritime Administration" (IAMA)
- Bulgarian Ports Infrastructure Company (BPICo)

Activities eligible for funding can be the following:

- developing and improving **environmentally sound (low-emission noise, low-carbon) transport systems, including inland waterways and maritime transport, ports, multimodal connections** and airport infrastructure to promote sustainable regional and local accessibility;
- developing **information systems in shipping**, building on existing systems and systems in the process of construction;
- delivering **multifunctional vessels**;
- developing information systems for the management of road traffic;
- modernizing and constructing **waste reception and treatment facilities in Bulgarian ports** of national importance;
- improving the quality of air navigation data/information and improving environmental management in the field of civil aviation;
- developing modern systems for the management of railway traffic;

⁷ The direct award procedure is the one in which a project proposal can only be submitted by a candidate explicitly designated as a specific beneficiary who can receive a grant to carry out an activity.

- constructing the GSM-R network (for segments outside the scope of projects for the modernization of railway infrastructure under Priority Axis 1); etc.

Expenditure shall only be eligible for financing if incurred by a specific beneficiary and paid between 1 January 2014 and 31 December 2023. All costs incurred by the beneficiary after the latter date shall be borne by the beneficiary. Project proposals may be submitted no later than 31 December 2020.

Ineligible costs for co-financing from the ERDF and CF of the European Union are the following:

- expenditure financed under another operation, programme or any other financial scheme deriving from the national budget, the Community budget or another donor programme;
- fines, financial penalties and the costs of dispute resolution;
- commissions and exchange losses when exchanging foreign currency;
- VAT, unless it is reimbursed;
- the purchase of fixed tangible assets – second-hand;
- the cost of guarantees provided by a bank or other financial institution, apart from the costs of financial instruments;
- interest on debts, except for related grants, provided in the form of interest-rate subsidies or guarantee fee subsidies;
- interest subsidies under approved state aid schemes and financial transaction costs;
- the costs of contracts concluded between the selected contractors, subcontractors and other natural or legal persons whose resources are used for the execution of the activities under those contracts, including contracts with intermediaries and consultants, where the contracts increase the cost of carrying out the activity without creating added value;
- and operations which have been physically completed or fully implemented prior to the submission of an application for financing under the programme by the beneficiary.

4.2.1.2 Assessment and selection process

The preparation of the application form for the submission of a project proposal is carried out electronically by either filling in the web-based application form and submitting it with an electronic signature or completing the web-based application form and submitting it on paper without a digital signature.

4.3 Croatia

4.3.1 Operational Programme Competitiveness and Cohesion 2014-2020

The basis of the Operational Programme Competitiveness and Cohesion 2014-2020 (OPKK) is an analysis of the socio-economic situation and the identification of obstacles to growth in the context of the Partnership Agreement, the relevant Union strategy and national strategies, their related goals and core strategic provisions. The total OP budget amounts to **€8,036,770,938**. The main objectives of the programme are to **stimulate economic competitiveness, support EU environmental compatibility, transport infrastructure investment (TEN-T) and network infrastructure**. In the transport sector, the OP will strengthen the connectivity of the country and the regions with trans-European networks (railways, **inland waterways** and roads), support the modernization of the Dubrovnik airport, **connect islands with the mainland**, develop sustainable urban mobility in big cities and increase road safety.

4.3.1.1 Eligibility

Eligible applicants are public and private companies such as river port authorities, companies that deal with river freight transport, public transport companies, etc.

There are 10 thematic priorities:

- TA – Technical Assistance
- TO1 – Research and innovation
- TO10 – Education and training
- TO2 – Information and communication technologies
- TO3 – SME competitiveness
- TO4 – Low-carbon economy
- TO5 – Climate change and risk prevention
- TO6 – Environment and resource efficiency
- **TO7 – Transport and energy networks**

9.25% of the funds (€60 million) will be allocated to this thematic priority, which reflects the importance of reducing greenhouse gas emissions in line with the Europe 2020 Strategy and the Commission recommendations. Specific Objective 7i is the **“Increase of freight traffic on inland waterways”**. This aims to remove bottlenecks in the basic TEN-T waterway network (including the Rhine-Danube Core Network) to increase mobility and the sustainability of the international freight transit through Croatia. It will increase the role of ports in the basic (i.e. Vukovar, Slavonski Brod) and comprehensive TEN-T network (i.e. Osijek) by modernizing them and improving the access and mobility of the TEN-T inland waterway corridors and cargo nodes throughout Croatia.

- TO9 – Social inclusion

Eligible activities:

- developing port infrastructure – the construction or modernization of infrastructure intended for inland waterway port operation, including direct access and connectivity with other modes of transport, new facilities to increase the capacity of existing ports, railway and road infrastructure connections, the development of business zones, constructing bulk cargo terminals, reconstructing the existing coast, and modernizing the infrastructure of the base port and its security systems;
- improving river navigability – the improvement of the navigability of inland waterways with an emphasis on the Sava River (in order to fulfil the sailing conditions), increasing the dimensions of the waterways and remove the bottlenecks in order to ensure the Danube’s and Drava’s navigability as international rivers in accordance with the European Agreement on Mainland Waterways of International Importance.
- preparing the project documentation;
- the Port of Sisak or Vukovar can request funds for equipment that will enhance safety.

The project must comply with the relevant comprehensive traffic plan prepared and adopted by the competent authorities, the relevant river basin management plan, the EU environmental legislations and the principles governing NATURA 2000 areas. The implementation area must be located on the TEN-T network, fill missing parts of its infrastructure, or remove bottlenecks. The action must also contain an analysis of the long-term demands justifying the planned use of newly built or modernized inland navigational

infrastructure. The required documentation will relate to a feasibility study and the application form. If the project includes construction work, the process must be 'ready to go' at the time of submission.

4.3.1.2 Assessment and selection process

The assessment process consists of the following phases:

1. Phase 1 – Reception and registration: the project proposal has to be delivered within the time specified in the call for proposals and must fulfil the following conditions:
 - a. the received envelope must be closed;
 - b. the applicant's name, address and the name and reference number of the call have to be indicated on the received envelope;
 - c. the date and time of the project's submission also have to be indicated on it.

Project proposals that are eligible, are registered in the Integrated Information Management System. Proposals that are not satisfy the required conditions are excluded from the allocation procedure.

2. Phase 2 – Administrative checks and the applicant's and its partners' eligibility
3. Phase 3 – Check of the project's eligibility and quality evaluation
4. Phase 4 – Verification of the eligibility of expenditure
5. Phase 5 – Decision-making on financing

The assessment procedure cannot last longer than 120 calendar days for a particular project proposal, counting from the date of submission. The applicant receives a notification about the project's status which must be sent within 5 working days from the decision at the end of the respective stages of the assessment procedure.

4.4 Germany

4.4.1 Programme for Combined Transport

Combined transport (CT) means the carriage of goods in the same standardized loading unit (container or swap body with a length of at least 20 feet, semi-trailer with or without tractor, rigid vehicle, trailer, etc.) where the loading unit, including the cargo, changes transport modes. The initial and final road legs are to and from the nearest suitable CT terminal; the rest of the journey is by rail and/or inland waterway.

The main objective of this funding is to **support a shift of freight movements from roads to the more environmentally friendly rail- and waterways**. This goal can be achieved **by directly shifting traffic and through rail/rail or waterway/waterway transshipment**. The specific aim of the Federal Government funding is to **expand the overall technical handling capacity in Germany by an average of 9,000 loading units for each million euros of funding**.

The funding guidelines are valid **from 1 January 2017 to 31 December 2021**.

4.4.1.1 Eligibility

The eligible applicants are businesses established under private law (federal railway infrastructure companies are not eligible to receive grants).

The following individual measures can be considered for funding:

- land acquisition, heritable building right, long-term lease, site clearance;
- relocation of pipes and cables, buried cable work, water supply and wastewater disposal;

- general earthwork, soil replacement, foundation improvement, protective subgrade layer;
- steel sheet piling, gangways, mooring piles/dolphins, roll-on/roll-off bridges;
- approach track, arrival/departure, run-around loops, headshunt, track for spare/damaged wagons, sidings, points;
- approach road, traffic and pre-stowage areas, parking areas, customer and employee car parking;
- entry/exit gate, offices, mess rooms;
- gantry cranes, mobile and other handling equipment, road-based delivery vehicles, access ramps for non-cranable semitrailers;
- overhead line, signalling, power supply, lighting, points heating, brake testing facility, private mobile radio, operational control system, automatic consignment registration equipment, refuelling facility, storage area for dangerous goods, mobile spill trough, sound insulation, landscaping, rainwater retention basin;
- waterway upgrade, oil barriers, power supply posts.

For funding to be provided, the following conditions must be met:

- funding by private capital alone would not result in the economic viability of the CT terminal;
- the terminal must be open to all users on a non-discriminatory basis;
- the funding will not distort competition;
- work must not have commenced on the project when the application is submitted;
- the net present value calculated using a suitable rate of return in accordance with the discounted cash flow method is negative when the funding is disregarded – the net present value calculated inclusive of the funding must be zero;
- the average cargo handling costs fall by no more than €33 per loading unit as a result of the funding, and by no more than €15 per loading unit in the case of terminals located near seaports;
- the benefit to the national economy should be at least four times the value of the funding;
- the terminal is owned by the beneficiary (heritable building right or long-term lease count, too);
- and the terminal is linked to the public transport network in such a way that there is no impediment of any kind to the CT operations.

The level of the financial aid is up to 80% of the eligible components, including a 10% lump sum for planning costs. Projects shall be funded by means of pro rata funding. Capital expenditure for the following shall be eligible:

- the acquisition of land, provided that it is directly required for handling operations and the traffic directly associated with them;
- carrying-out infrastructure projects on this land that are necessary for handling operations and, where this is the case, have been ordered by the authorities;
- the erection of buildings, to the extent that they are required for the performance of the activities that are directly related to CT handling;
- and the procurement of terminal-based handling facilities.

Turnover tax shall not be eligible.

The beneficiary shall ensure that the CT terminal remains in operation for a period of 20 years where its own resources' share of the eligible expenditure is less than 50% and for a period of 10 years where its own

resources' share of the eligible expenditure is 50% or more. The operator of the terminal's holding in the beneficiary shall not exceed 50%.

4.4.1.2 Assessment and selection process

The grant-awarding agencies shall be the Federal Railway Authority for combined rail/road and rail/rail transport terminals and the Federal Waterways and Shipping Agency for combined waterway/road and waterway/waterway transport terminals. The applications required by the guidelines shall be submitted in writing to the relevant grant-awarding agency.

First, the agency will review the request for the resolution of the siting issue: the applicant must provide verifiable evidence of how the economical operation of the CT terminal will be ensured and whether, and if so, what, modal shift impacts are likely and how the project will affect the competitive environment in its catchment area. If requested, a professional opinion on the matter shall be presented. Following the resolution of the siting issue, the grant-awarding agency will review the application for funding. The whole process takes place over approximately one month.

4.4.2 Schienengüterfernverkehrsnetzförderungs-gesetz (SGFFG)

The Federal Ministry of Germany (BMVI) co-finances **investments of public, but not federally owned rail infrastructure for freight transport**. In 2018, investment projects with a volume of €1.54 million were funded with a grant of €770,000. The Eisenbahn-Bundesamt (EBA) carries out the programme on behalf of the ministry.

4.4.2.1 Eligibility

All companies that operate a public infrastructure or service are invited to apply for funding – their official licence serves as proof.

The eligible activities are planning, and construction works. Planning includes all activities necessary to get an approval for construction; this also includes – beside preparatory planning – supervision during the construction phase and any additional requirements by the relevant authorities. Reinvestments in technical infrastructure are defined as the replacement of technical infrastructure to an equivalent form and function, considering the up-to-date technical development.

The approved projects receive a non-refundable grant of 50% of the respective infrastructure investment costs. Planning costs are also eligible but may not exceed 13% of the construction costs.

4.4.2.2 Assessment and selection process

The selection procedure takes approximately 3 months. The mandatory documents are the following:

- technical planning: technical design, photos, the description of the project, engineering – detailed drawing, arguments of the necessity and economic relevance of the project;
- financial capacity: detailed cost calculation, time schedule, construction and financing plan;
- and a declaration about the grant/compliances.

4.5 Hungary

4.5.1 IKOP 2.1.0 Improvement of international (TEN-T) waterborne and railway accessibility

The main objectives of the Integrated Transport Development Operational Programme are:

- to reduce travel time on the railways of the Hungarian section of TEN-T;
- to **improve safe navigability on the Danube**; as well as
- to **increase the volume of freight transport in TEN-T ports**.

The overall budget of the call is **€1,481,217.836** for an estimated 45 final beneficiaries. The available time for project implementation is 24 months. The level of financial support depends on the type of the aid applicable for the given project and in the case of port developments the following types of aid can be available:

- no state aid – the financing rate depends of the ‘funding gap’ calculation of the cost-benefit analysis;
- de minimis aid – the financing rate is maximum 100%, but the total de minimis aid shall not exceed €200,000 in 3 years;
- state aid – the financing rate shall not exceed the rate laid down in the Commission’s Decision, according to the preceding ‘funding gap’ calculation of the cost-benefit analysis.

4.5.1.1 Eligibility

Eligible applicants can only be public bodies, state-owned companies and their consortiums.

Eligible activities:

- eliminating bottlenecks in the railway network;
- purchasing suburban Multiple Units (trainsets);
- improving the interoperability of railways;
- modernizing complex railway hubs;
- organizing efficient and innovative travelling solutions;
- elaborating management instruments recommended by the Transport Strategy;
- **developing enhancements regarding waterborne transport** (i.e. Electronic Chart Display and Information System – ECDIS, etc.);
- **developing port infrastructure** to increase the number of transshipping vessels.

Eligible costs:

- preparation studies and the cost of technical plans and permitting procedures (maximum 7% of the total budget);
- the purchase of land (maximum 2% of the total budget);
- preparation activities of the physical implementation – archaeology, elimination of residual ammunition, etc. (maximum 7% of the total budget);
- the purchase of immaterial goods;
- ancillary services (public procurement, communication costs, engineering, etc.);
- project management (maximum 2.5% of the total budget);
- construction costs;
- and the purchase of equipment.

The application must contain – beside the administrative papers – a feasibility study, a cost-benefit analysis, the available construction and environmental permits, technical plans, public procurement dossiers and a verification of the ownership status – of course, only those of the above documents are obligatory which are available at the time of the application.

Each year, the Hungarian Government nominates the priority projects from the perspective of the national economy. Then, the priority projects are listed in the yearly National Development Framework which is approved by the government, but the standard application procedure's regulations still apply in a dedicated project selection procedure. The application procedure is very similar to an open call, except that the call is not open – only the nominated beneficiaries can submit proposals.

4.5.1.1 *Assessment and selection process*

The assessment criteria include the following steps:

1. Assessing the alignment with the objectives of the National Transport Infrastructure Development Strategy and IKOP
 - a. Alignment with the priority of IKOP, the improvement of international (TEN-T) waterborne and railway accessibility
 - b. The project is on the core or comprehensive network of TEN-T railway or waterway corridors.
 - c. The project has an at least medium rate according to the National Transport Infrastructure Development Strategy indicator (social utility – the BCR indicator of the social cost-benefit analysis).
2. Assessing the project phasing
 - a. Detailed project phasing, including preparation and implementation
 - b. Available feasibility study, including option analysis
 - c. Detailed analysis of risks endangering the successful and timely implementation and the description of risk management
3. Analysing the financial indicators as well as the financial and technical sustainability
 - a. The need for a financial subsidy and the financial viability of the project by means of a financial and social cost-benefit analysis are justified.
 - b. The project is financially sustainable and the financial sources for the operation are secured.
 - c. The project is technically operable and maintainable.
 - d. The potential linkages with other aids are discovered and identified.
4. Assessing the potential environmental impacts and environmental sustainability
 - a. The project is feasible from the aspects of environmental protection, nature protection and water management.
 - b. The project is sustainable in terms of environmental protection.
5. Assessing the project budget
 - a. The project budget is realistic, the project activities and their costs are well detailed, the principle of cost efficiency is secured.
 - b. Cost lines are in line with the eligibility criteria and the related cost limits.
6. Assessing the project management organisation – The beneficiary has adequate administrative, financial and operational capacity.
7. Assessing the indicators related to sustainability and equal opportunities

The dedicated project selection procedure is operated on an ongoing basis: the submitted proposals are assessed in the order of their arrival. The timeframe in which the applications can be submitted is indefinite; the call has been open as of 7 December 2015 and will be open until the absorption of the available budget.



4.5.2 GINOP 1.2.5 Development of logistics service centres

Unlike the above detailed programme, this funding instrument is operated by the Ministry of Economic Development in Hungary in the framework of the Economic Development and Innovation Operational Programme 2014-2020. The call has been available as of January 2017 for all logistics service centres operating in Hungary, many of which are intermodal centres, i.e. inland ports. At the moment, it is suspended due to some changes in the conditions, but the indicative financial source has not been exploited and its objectives are of high importance for the logistics sector in the country. The overall budget is 6 billion HUF (= **€20 million**) for an estimated 50-90 final beneficiaries.

The main objective is to **widen the scale and improve the level of logistics services in the intermodal centres**. In comparison with the objectives of the IKOP call, the following differences can be highlighted:

- while IKOP focuses on the improvement of the transport infrastructure, GINOP intends to increase the level of logistics services;
- the eligible activities of IKOP are related to infrastructure, whereas this GINOP call limits the eligible cost of infrastructural developments; the preferred activities are the purchase of equipment and the development of IT software;
- in the call of IKOP, ports are invited to develop waterside infrastructure, which GINOP does not allow;
- IKOP has dedicated projects of dedicated public organisations (in the case of ports, the owner of the port), whereas GINOP supports SMEs in an open call (in the case of ports, those who operate the logistics functions).

4.5.2.1 Eligibility

The eligible applicants are SMEs, which have the title 'logistics service centre', operating in the convergence regions of Hungary, but there are further requirements and limitations:

- Applicants shall have a minimum of 5,000 m² covered storage capacity at the site of the logistics centre where the development is to be implemented.
- Agricultural companies may not apply (this is incompatible with agricultural aids).
- The subsidiaries of foreign multinational companies are not SMEs and shall not apply.

All activities shall relate to the improvement of logistics services:

- the modernisation of infrastructure and constructions (including new warehouses) within the logistics centre;
- the purchase of new equipment;
- IT development, new IT equipment and software;
- the purchase of manufacturing licences, know-how;
- ancillary services (public procurement, engineering, etc.).

The available time for project implementation is 24 months, but the final deadline is September 2019. The maximum aid per project is 250 million HUF and the financing rate is maximum 50%. The type of the aid applicable for the given project is the 'Aid for local infrastructure'. According the corresponding provisions of GBER, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. Hence, the operating profit deducted from the eligible costs might result in a lower than 50% funding rate.



The eligible costs are the following:

- constructions costs – maximum 50% of the total budget;
- the purchase of equipment;
- the purchase of licences, know-how;
- the service cost of the engineer and the public procurement expert.

Due to some very specific conditions and strict limitations, only a few companies could apply so far:

- no activities related to the storage of grains and oil seeds are eligible;
- **costs related to port infrastructure are not eligible;**
- there must be a minimum of 5,000 m² covered storage capacity on site;
- the main activity according to the company register of the previous years must fit with a specific list;
- in case of construction activities, the necessary building permit must be in force at the time of the submission;
- new or modernised warehouses/buildings must be at least 'C' energy class;
- and in line with the state aid regulation of 'Aid for local infrastructure', the operating profit calculation has to be proved.

Some obligatory indicators are economic in nature (e.g. the increase of net revenue for 3 years after project implementation must be 5% on average or maintaining the number of employees for the same 3 years).

4.5.2.1 Assessment and selection process

The selection procedure of the given call is an open call for all SMEs meeting the requirements and conditions prescribed in the call for applicants. Besides the administrative documents and supporting price offers, the verification of the ownership structure, the building permit in force (if relevant), the ISO 140001 certificate (if relevant), the certification of the 'logistics service centre' status, the intermodal transport volume and the capacity of covered storage are all mandatory attachments. The selection process of the applications follows the 'standard' process: applications are submitted within the predefined periods, assessed together and selected based on their assessment points. A minimum of 50 out of 100 points must be achieved in line with these assessment criteria:

- the number of years the applicant has been operating for;
- the rate of operating profit compared to the balance sheet;
- the volume of investment costs compared to the assets;
- the growth of net revenues of the past 2 years;
- the volume of investment costs compared to the net revenues;
- experience with procedural irregularities during the implementation of EU projects.

And also:

- Is the site in any of the settlements of the 'free business zone'? (There is a predefined list of disadvantaged settlements.)
- Has the applicant successfully implemented a similar EU funded project under the same scheme of the financing period 2007-2013?

4.5.3 GINOP 2.1.2-8.1.4 The promotion of R&D activities of SMEs combined with refundable loan

The main objective of the call is the **support of research, development and innovation** (including the development of prototypes) **related to the activities of Hungarian SMEs, which generate intellectual added value and result in new marketable products, services and technologies**. Since the development of port services are strongly linked to the general logistics technologies, R&D in the logistics sector is a key issue for the inland ports. These projects are to be implemented by SMEs – not necessarily operating as logistics companies – whereas the users of the new technologies are logistics organisations, such as ports or freight forwarders in any modes of transport. The nature of the development projects can be various: the development of warehouse automation, intelligent logistics softwares, the product development of loading technologies, etc. The overall budget of the call is **120 billion HUF for an estimated 160-1600 final beneficiaries** (i.e. number of projects): 80 billion HUF non-refundable subsidy (50-500 million HUF/project) and 40 billion HUF refundable subsidy (25-250 million HUF/project).

4.5.3.1 Eligibility

It is obligatory for each applicant to use both the refundable and non-refundable subsidy. The available time for project implementation is 24 months.

Eligible applicants are SMEs, operating in the convergence regions of Hungary, but there are further requirements and limitations:

- agricultural companies may not apply (incompatible with agricultural aids);
- subsidiaries of foreign multinational companies are not SMEs and shall not apply.

All activities shall relate to research activities (experimental research and development, the purchase of new equipment, project management and ancillary services, like public procurement).

Only those projects can be funded that contribute to the sectoral priorities or intelligent technologies of the National “S3” Strategy.

Sectoral priorities:

- Healthy society and prosperity
- **Advanced vehicle and other machinery technologies**
- **Clean and renewable energies**
- **Sustainable environment**
- Healthy and local foods
- Agri-innovation

Intelligent technologies:

- photonics, laser technology;
- special/modern materials, modern material technologies;
- bionics;
- non-mechanical metalworking;
- electronics and semiconductor technology;
- modern hydrocarbon technology (petroleum, natural gas);
- modern packaging technology;

- chemical technology (rubber/plastic industry, fertilizers, cosmetics);
- building material technologies;
- the textile industry;
- the wood and furniture industries;
- the cultural and creative industries;
- and **logistics**.

The level of financial support depends on the project activity:

- aid for R&D and innovation related to basic research, industrial research and experimental development – 50-60% aid intensity;
- regional aid (in line with the map of Regional aid intensities in Hungary) related to infrastructure and the purchase of equipment or de minimis aid for project management and related services – 45% aid intensity.

The eligible costs are the following:

- Staff costs;
- External services related to the research activities;
- Purchase of equipment;
- Purchase of intellectual property;
- Construction costs;
- Project management – maximum 2,5% of the total budget.

The R&D expenses of the beneficiary must reach 30% of the non-refundable subsidy for 2 years after the project's completion.

4.5.3.2 Assessment and selection process

The selection procedure of the given call is an open call for all SMEs meeting the requirements and conditions prescribed in the call for applicants. Besides the administrative documents and the supporting price offers, the mandatory documents are the verification of the ownership structure, the building permit in force (if relevant), the technical plans (if relevant), and the property deeds and appraisal of the real estate offered as collateral.

The selection process of the applications follows the 'standard' process: the applications submitted within the predefined periods are assessed together and selected based on their assessment points – a minimum of 50 out of 100 points has to be achieved.

The following are the assessment criteria:

- the ratio of profit before taxes/number of employees;
- the level of the impact of the project (local/industrial/national);
- the technical and scientific content of the project;
- intellectual added value (the ratio of the R&D expenses from the eligible costs);
- export revenue forecast;
- cash liquidity;
- the ratio of revenues and cash-flow;

- the ratio of liabilities/equity;
- the turnover rate of short-term liabilities;
- and the increase of revenues during the past years.

4.5.4 KEHOP 1.4.0 Flood prevention developments

The aim of the funding call is to **ease the risks of flood along Hungarian rivers with the construction of adequate infrastructure**. Since many of the Hungarian inland ports are endangered by floods, this initiative is of high importance to port developments. The overall budget of the call is **177.34 billion HUF for an estimated 18 final beneficiaries** (i.e. number of projects). Only dedicated projects can be funded within this scheme, nominated in the yearly development framework of the Environmental and Energy Efficiency Operational Programme.

4.5.4.1 Eligibility

The eligible applicants under this scheme are water directorates, municipalities or their consortium.

Eligible activities:

- construction, development and reconstruction of flood protection equipment;
- the establishment and reconstruction of flood reservoirs;
- flood protection embankment;
- construction of flood prevention structures;
- the development of flood monitoring activities;
- equipment necessary for the operation;
- and preparation studies.

The maximum level of financial support is 100% if the project activities do not fall under state aid regulation.

Eligible costs:

- preparation studies;
- purchase of property – maximum 2% of the total budget;
- construction costs;
- purchase of equipment and/or services;
- the service cost of the engineer and the public procurement expert;
- project management – maximum 2.5% of the total budget;
- overhead – maximum % of the total budget;
- and reserves – maximum 10% of the total budget.

4.5.4.2 Assessment and selection process

Besides the administrative documents and the supporting price offers, the mandatory documents are the verification of the ownership structure, the building permit in force (if relevant), a feasibility study and an environmental impact study (if available).

The selection process is based on several evaluation questions, but not in a quantitative way (complied/partly complied/failed), grouped along the following criteria:

- the competence and capacity of the applicant;

- compliance with the objectives of the Environmental and Energy Efficiency Operational Programme;
- the conditions of the technical feasibility;
- financial feasibility, the compliance of the budget;
- and the competence of the project management.

4.5.5 TOP 1.1.1 Development of industrial parks

The main objectives of the call within the Territorial and Settlement Development Operational Programme 2014-2020 (TOP) are:

- to boost the local economy and employment building on the existing resources and by improving infrastructural conditions;
- to develop the municipal business infrastructure and services;
- and to reinforce local enterprises to boost local employment.

Since many of the Hungarian inland ports function as industrial parks and the local municipality has either ownership or management authority as well, this initiative is to be considered by the stakeholders of inland ports.⁸

The overall budget of the call is **26.278 billion HUF**, divided between the Hungarian counties. The amount of EU subsidy is between **50 million – 1 billion HUF per project**. The available time for project implementation is 36 months.

4.5.5.1 Eligibility

The eligible applicants are municipalities, public bodies and companies owned by municipalities. The eligible activities are:

- the development of industrial parks, scientific and technology parks, logistics and innovation centres;
- the establishment of new industrial parks, brownfield and greenfield investments;
- energy efficiency developments;
- the purchase of necessary equipment;
- remediation, if relevant.

Eligible costs:

- preparation activities, studies – maximum 5%;
- construction costs;
- the purchase of property – maximum 2%;
- the purchase of equipment and/or intellectual property;
- remediation costs – maximum 10%;
- ancillary services;
- project management – maximum 2.5%;
- overhead – maximum 0.5%;
- reserve – maximum 5%.

⁸ In 2010, the Freeport of Budapest has also gained the title of 'Hungarian Industrial Park', certified by the Hungarian Government.

The level of financial support depends on the project activity and the related aid categories:

- regional aid (in line with the map of regional aid intensities in Hungary) related to infrastructure and the purchase of equipment – 25-50% aid intensity;
- de minimis aid – maximum 100% aid intensity;
- aid for local infrastructure – maximum 100% aid intensity⁹;
- aid to make better the damage caused by certain natural disasters – maximum 100% aid intensity;
- investment aid for the promotion of energy from renewable sources – 30-100% aid intensity.

4.5.5.2 *Assessment and selection process*

The selection procedure is an open call for all applicants meeting the requirements and conditions prescribed in the call. Besides the administrative documents and supporting price offers, the detailed business plan and cost-benefit analysis, the environmental impact study (if relevant), the site plan, a photo documentation, the building permit in force (if relevant), the valuation of the property in case of purchase, the technical plans (if relevant), the certification of the industrial park and the verification of the ownership structure are all mandatory attachments. The selection process of the applications follows the ‘standard’ process: applications are submitted within the predefined periods, assessed together and selected based on their assessment points. Evaluation questions are grouped along the following criteria:

- compliance with the objectives of the Territorial and Settlement Development Operational Programme;
- technical justification of the need for development, demand and capacity usage;
- preparedness;
- the technical risks of project implementation;
- the complexity of the project;
- expected impacts;
- integrated approach;
- sustainability;
- equal opportunities;
- cost efficiency;
- and effectiveness.

4.6 Romania

4.6.1 Regional Operational Programme 2014-2020

The Regional Operational Programme (ROP) aims at **promoting smart, sustainable and inclusive growth** in all regions of Romania, making them more attractive places to live and work in. It addresses **regional competitiveness**, the **economic and social infrastructure** at regional and local level, **sustainable urban development** and the **low-carbon economy** with **€6.76 billion** ERDF funding.

The thematic areas of the programme are the following:

⁹ According to the provisions of GBER, the aid amount shall not exceed the difference between the eligible costs and the operating profit of the investment. Consequently, the operating profit deducted from the eligible costs might result in a funding rate lower than 100%.

- Research and innovation
- Education and training
- Better public administration
- SMEs' competitiveness
- **Low-carbon economy**
- Environment and resource efficiency
- **Transport and energy networks**
- Employment and labour market
- Social inclusion

4.6.1.1 Eligibility

Depending on the chosen priority, mostly local/central public authorities and NGOs can apply.

The programme focuses on eight priorities with the following expected impacts:

- Supporting transfer of technology and innovation take up by SMEs in areas for smart specialization
 - An increased share (+ 3.7%) of innovative SMEs collaborating with others
 - Support to more than 5,000 SMEs leading to a 46% increase in labour productivity in less developed regions
 - Increase in the survival rate of SMEs by 10%
- Promoting the **low-carbon economy** through investments in energy efficiency in buildings, public lighting and **sustainable multimodal urban mobility**
 - Reduction of energy consumption by 37% in public buildings, 51% in residential buildings, and 33% for public lighting
 - Improving urban public transport, attracting 140 million additional passengers per year in less developed regions
- Supporting **sustainable integrated urban development** and regeneration of deprived urban areas
 - Reducing carbon emissions through investments based on sustainable urban mobility
 - Creating 224,000 m² of additional green spaces in cities
- Developing cultural heritage and tourism as drivers for local economic development
 - Renovating 45 additional cultural heritage sites
- **Improving regional connectivity**
 - The rehabilitation and modernization of more than 2,000 km of roads improving regional connectivity to the TEN-T network

Investments in transport infrastructure will facilitate population and goods mobility, reduce the commodities and passengers transport costs, improve access to the regional markets, increase economic efficiency, save time and energy, set up conditions for the extension of commercial flows and – implicitly – productive investments. The development of the transport network will also facilitate interregional cooperation and significantly contribute to increasing the enterprises'/companies' competitiveness and labor force mobility, and – as a consequence – the development of Romania and its regions.
- Investing in health, social, education and training infrastructure in support of national reforms
 - 500,000 people benefitting from better community and primary health care services in less developed regions while decreasing avoidable emergency admissions in hospitals

- Increasing the enrollment in crèches, pre-primary education, primary, secondary and vocational education and training
- Increase in the share of the population aged between 30 to 34 with tertiary level education from 20.4% to 28.2%
- Extending the registration of land tenure
 - Number of administrative units with all properties included in the land register increases from 0.24% to 28%

Eligible costs:

- expenditure for landscaping;
- expenses to provide utilities for the facility;
- expenditure on design and technical assistance;
- expenditure on basic investment;
- expenses to purchase means of transport;
- expenditure on information and publicity;
- and expenditure on the external financial audit.

4.6.1.2 *Assessment and selection process*

Mandatory documents (depending on the priority):

- Local Development Strategy;
- Local Energy Efficiency Plan;
- Sustainable Urban Mobility Plan;
- traffic studies;
- property documents;
- technical documentation;
- financial documents;
- marketing plan.

The call for proposals is based on the principle of competitiveness; the submitted applications are assessed in the order of their arrival. Subsequent to the submission, the applications will enter into a verification, evaluation and selection system that will only fund projects that meet all the eligibility conditions and – following the technical and financial evaluation – fall into the allocation of the call.

The verification of administrative compliance and eligibility will mainly focus on the existence and form of the grant application and its annexes, the validity of the documents, and compliance with the eligibility criteria. The technical and financial evaluation will be carried out on the basis of the Technical and Financial Assessment Grid presented in the Applicant's Guide. Projects receiving less than 60 points – the minimum threshold – are rejected and can no longer be redeployed within the same call for proposals. Projects rejected during the administrative compliance and eligibility check phase may be redeployed within the same call, provided that the deadline or the closing conditions of the call are in line with the specific guidelines. Projects cannot be resubmitted after they have been rejected during the technical and financial evaluation phase.

4.6.2 *Operational Programme for Large Infrastructure Projects*

The Large Infrastructure Operational Programme (LIOP) aims at **promoting sustainable economic growth** as well as **the safe and efficient use of natural resources**. The programme mainly invests in **removing the main**

transport bottlenecks and **developing sustainable, efficient and green transport modes** in the country. Another strong focus lies on measures to **increase energy efficiency** and **protect natural resources**. The total OP budget is **€11,630,733,165**.

The thematic areas of the programme are the following:

- **Low-carbon economy**
- Climate change and risk prevention
- Environment and resource efficiency
- **Transport and energy networks**

4.6.2.1 Eligibility

The eligible projects are those included in the preidentified project list prioritized by the Romanian General Masterplan for Transport (MPGT). The specific guidelines are developed separately for public beneficiaries and private ones.

The eligible applicants (depending on the priority) can be fairway administrators (state-owned agencies), port infrastructure administrators (national companies), local and regional authorities, transport infrastructure administrators (national/local) in general, the Ministry of Transport and the Transport Police.

The programme focuses on eight priorities with the following expected impacts (by 2023):

- Improving mobility through the development of the TEN-T and the metro network
This priority is partly dedicated to **the improvement of navigability, port infrastructure** and the local intermodal/multimodal transport infrastructure.
 - **Increase the use of navigable fairways and ports located on the TEN-T core network**
 - **Increase the freight volumes transhipped through intermodal terminals and ports**
 - Travel time on the road TEN-T core network reduced to 74.1 minutes per 100 km
 - Travel time on the rail TEN-T network reduced to 79.2 minutes per 100 km
 - The share of the metro system in public passenger transport in Bucharest will increase to 23%
- The development of a multimodal, high-quality, sustainable and efficient transport system
This priority aims at implementing measures that improve transport safety and security, in line with the national strategies and urban development plans.
 - **The quantity of goods carried by inland waterways will increase to 32.2 tonnes per year**
 - The number of road fatalities per million inhabitants will decrease to 73
 - The number of passengers embarked and disembarked in airport transport will increase to 20 million per year
 - An increase in the containerised cargo volume handled in intermodal terminals to 70,000
 - A decrease to half of the waiting time in customs at exit points in agglomerated periods (carriers)
- The development of environmental infrastructure based on an efficient management of resources
 - The annual average economic damage caused by adverse hydrological events will decrease to €383.16 million per year
- Environmental protection by taking measures to preserve biodiversity, air quality monitoring and decontamination of historically contaminated sites
 - The amount of biodegradable waste landfilled will be reduced to 1.53 million tonnes per year
 - Restore 10% of the degraded ecosystems

- Promoting adaptation to climate change, risk prevention and management
 - The recycling rate of household and similar waste will increase to 50%
 - The level of population covered by the public drinking water system will increase to 99.5%
- Clean energy and energy efficiency in order to support a low-carbon economy
 - The primary production of energy from less exploited renewable sources will increase to 455.96 MWh per year
 - The energy intensity in the industry will decrease to 121.5 kgep per €1000
- Increased energy efficiency in centralised heating systems in selected cities
 - The energy losses in heating networks at national level will decrease to 15% in less developed regions
- Intelligent and sustainable transport systems for electricity and natural gas

Some of the eligible activities can be the following:

- actions to improve the navigability of the Danube and its channels:
 - upgrading the locks on the Danube-Black sea channel;
 - increasing the depth on the fairway;
 - protecting the shore against erosion on the navigable channels;
 - purchasing equipment and multi-purpose technical vessels;
 - and dredging on the Danube fairway, the navigable channels and in maritime and inland ports located on the TEN-T core network;
- the upgrade and development of the TEN-T core maritime and inland port infrastructure:
 - infrastructure for transshipment (berths, quays, basins);
 - infrastructure for protection (dams);
 - alternative fuel infrastructure;
 - and infrastructure for the collection of ship-generated waste and cargo residues;
- the construction and upgrade of road and rail access to and within the TEN-T core maritime and inland ports:
 - road and railway hinterland connections;
 - internal road and rail network;
 - port fairways and gates;
 - and locks inside the port area;
- the implementation, extension and upgrading of the utility infrastructure (gas, sewage, electrical, heat, etc.);
- improving traffic safety and transport security for all modes of transport:
 - the purchase of track-side equipment;
- environmental protection at all modes of transport:
 - the purchase of multifunctional PSI vessels.

Eligible costs:

- expenses related to in-kind contribution;
- expenditure on the purchase of means of transport;
- audit costs purchased by the beneficiary for the project;
- expenditure on information, communication and advertising;

- project management expenditure;
- expenses for obtaining and arranging the land;
- expenditures for providing the utilities necessary for the objective;
- design and technical assistance expenses;
- expenses for the basic investment;
- construction site costs;
- expenses for commissions, allowances, taxes;
- miscellaneous and unforeseen expenses;
- expenditure on technology samples, tests and handover to the beneficiary;
- salary expenses of the personnel involved in the activities during the project implementation (other than those related to project management).

Refundable VAT is not eligible.

Projects whose eligible value does not exceed €75 million must be included in the updated list of POIM project portfolios, while projects whose eligible value exceeds €75 million must be included in the list of MAI major projects. Projects implemented in the Tulcea or Sulina ports should be relevant to the ITI, in line with and contributing to the achievement of the Danube Delta Development Strategy objectives. Projects implemented in the Bucharest-Ilfov region are not eligible (projects localized in less developed regions will be financed). All projects will demonstrate the correlation with the General Masterplan for Transport and the sectoral traffic safety strategies.

4.6.2.2 Assessment and selection process

The assessment takes place in two stages:

1. Administrative check and eligibility developed according to the grid annexed to the guideline. The evaluation is based on YES/NO answers. Only the eligible grant applications (which meet all criteria of the admissibility and eligibility check) are admitted to the next stage of the evaluation process.
2. Technical and economic evaluation based on three major criteria:
 - a. The relevance and opportunity of the project – 20 points (minimum 8 points);
 - b. The maturity and quality of the project preparation – 60 points (minimum 40 points); and
 - c. The sustainability of the project – 20 points (minimum 12 points).

Obtaining the minimum score for each criterion does not ensure a promotion to finance. The quality threshold that each project has to meet for the grant is a minimum of 80 points, while reaching the minimum score for each individual criterion, too.

4.7 Serbia

4.7.1 Public competition in Vojvodina for the financing and co-financing of projects in the field of transport infrastructure

The general goal of the competition is to support the units of local self-government in the territory of the Autonomous Province of Vojvodina in the realization of projects that contribute to **the development and improvement of the transport infrastructure**. Its total budget is **€6,574,327.47**.



4.7.1.1 Eligibility

Local government units in the territory have the right to participate: an applicant may submit only one application. The possibility of using the funds is excluded from those entities that are obliged by a final court decision to refund funds allocated to them in the previous period as participants in the competition.

The grants are intended for financing and co-financing the construction, reconstruction, rehabilitation and reinforcement of roads, the rehabilitation and **enhanced maintenance of public transport vehicles** in the territory of Vojvodina. The specific objectives are to ensure a stable, secure and long-term development of traffic, **improve the safety of all participants in transport**, support rural development, create preconditions for sustainable social and economic development and reduce regional disparities.

The eligibility costs are not defined at this point.

4.7.1.2 Assessment and selection process

The overall impact and significance of the projects is assessed with a maximum of 30 points, taking into account the following sub-criteria:

- the significance of the project is rated at a maximum of 6 points;
- linking the project with strategic documents is rated at a maximum of 6 points;
- the level of development of the local self-government in whose territory the project is implemented is rated at a maximum of 6 points;
- the interconnection and compliance of the project elements is rated at a maximum of 6 points;
- and the expected effects of the project are rated at a maximum of 6 points.

The justification of the project is assessed with a maximum of 20 points, taking into account the following sub-criteria:

- the degree of co-financing of the project is rated at a maximum of 10 points;
- and the ratio of costs and expected results is rated at a maximum of 10 points.

The degree of sustainability of the project is assessed with a maximum of 20 points, taking into account the following sub-criteria:

- financial sustainability is rated at a maximum of 10 points;
- and institutional sustainability is rated at a maximum of 10 points.

The degree of risk and the feasibility of the project is assessed with a maximum of 30 points, taking into account the following sub-criteria:

- the risk assessment is rated at a maximum of 15 points;
- and the feasibility of the project is rated at a maximum of 15 points.

The following applications will not be taken into consideration:

- untimely reports (applications received after the expiry of the deadline set in the public tender);
- unauthorized applications (filed by unauthorized entities which do not relate to the competition's intended use, or the amount of funding that is sought after is higher than the amount prescribed for the allocation of the public advertisement);

- and incomplete applications (applications that are not submitted on the appropriate form, do not contain all the documentation provided by the competition, are unsigned, with uncompleted sections, sent by fax or e-mail, containing incomprehensible and incorrect data).

The conditions for awarding funds are:

- that the realization of the project is in accordance with the goals and purpose of the public competition;
- that the technical documentation was prepared in accordance with the Law on Planning and Construction or the Law on Public Roads;
- and that a valid act is issued by the competent authority that approves the construction or the execution of works.

The documentation should contain:

- a duly filled in Application Form, certified and signed by an authorized person in two copies;
- a copy of the main technical documentation book, depending on the class and purpose of the facility (the main notion of the preliminary design, the main issue of the project for the building permit, the main project implementation notes);
- a copy of a statement from the performer of technical control with a summary of the technical control report from the project copy of the building permit;
- copies of the title pages of all parts of the technical documentation contained in the building permit (i.e. the decision authorizing the execution of the works, the verification of the competent body for issuing the construction permit);
- copies of the front pages of the technical documentation with evidence of the technical control performed and the verification of the competent transport authority;
- a copy of the valid act of the competent authority authorizing the construction or the execution of works;
- a preamble and a calculation with the recapitulation of the works, certified and signed by the responsible designer, not older than six months, with numbered pages (the document must contain the date of preparation);
- and a copy of the applicant's tax identification number (PIB).

All copies of the documents must be certified and signed by the authorized person of the applicant, each page, on each document. The use of facsimile is allowed instead of the personal signature. The Application Form is filled in electronically and downloaded from the website of the Provincial Government or the Capital Investment Administration of the Autonomous Province of Vojvodina. The submitted applications will not be returned to the participants after the public competition ends.

The procedure of the public competition is conducted by the Commission established by the Director of the Capital Investment Authority of the Autonomous Province of Vojvodina. The Commission conducts an expert review of the submitted applications, evaluates the proposed projects in accordance with the conditions and criteria specified in the public competition (see above) and submits a proposal for a decision on the allocation of funds with an explanation of the proposal within 15 days from the deadline for filing applications to the Director of the Management Board. The final decision on the allocation of funds is made by the Director of the Capital Investment Authority of the Autonomous Province of Vojvodina within 20 days from the deadline

for the submission of applications. The decision will be published on the website of the Provincial Government and the Capital Investment Administration of the Autonomous Province of Vojvodina on the day following its adoption. The announcement of the results of the open competition shall be sent to all participants within 7 days from the decision's date of publication. After the decision is made, the Capital Investment Authority of the Autonomous Province of Vojvodina and the beneficiary will conclude a contract, regulating the mutual rights and obligations of the contracting parties.

4.8 Slovakia

4.8.1 Operational Programme Integrated Infrastructure (OPII)

The Operational Programme Integrated Infrastructure (OPII) is a programming document produced by the Slovak Republic to draw aid from the European Union (i.e. the Cohesion Fund and ERDF) to the transport sector and Information Technology for the period 2014-2020. Its global objective is to **support sustainable mobility, economic growth, job creation and improve the business environment through progress in transport infrastructure, public passenger transport and the development of an information society**. The implementation of OPII projects will contribute to making the country, its different regions and the interconnection between them more accessible, reducing regional disparities and increasing the Slovak Republic's competitiveness.

The "Strategic Development Plan For Transport Infrastructure in the Slovak Republic to 2020" was approved by the Government on 26 June 2014 as the background document for the development of the OPII, which was approved by the European Commission on 28 October 2014. Other documents and their strategies of setting priorities and transport policy objectives were also taken into account.

The OPII's total budget is **€4,646,130.079** (including national co-financing) for the 2014-2020 period.

4.8.1.1 Eligibility

The Ministry of Transport and Construction appropriates EU funds and funds from the national budget for major transport projects such as the construction of motorways and expressways, the upgrading of first class roads, the modernization of railways, the purchasing of new trains and eco-friendly public transport vehicles or urban integrated transport systems, but also for projects in the field of water transport, and the informatization of society.

The programme will focus on the following main priorities:

- Promoting sustainable transport and removing bottlenecks in key network infrastructures by:
 - supporting a multimodal Single European Transport Area by investing in TEN-T;
 - **developing and improving** environmentally friendly (including low-noise) and low-carbon transport systems, including **inland waterways and maritime transport, ports**, multimodal links and airport infrastructure, in order to promote sustainable and regional mobility;
 - and developing and rehabilitating comprehensive, high quality and interoperable railway systems, while promoting noise-reduction measures.

The OPII's priority axes are:

1. Railway infrastructure (TEN-T core) and upgrading the rolling stock
2. Road infrastructure (TEN-T core)

3. Public passenger transport
4. **Water transport infrastructure** (TEN-T core)
5. Railway infrastructure (outside the TEN-T core)
6. Road infrastructure (outside the TEN-T core)
7. Information society
8. Technical assistance

The Priority Axes 1-6 of the Operational Programme Integrated Infrastructure are not demand-oriented. Beneficiaries are set in advance and calls for project proposals are announced, while the indicative list of OPII projects based on the Strategic Plan is respected. In the transport infrastructure construction and modernization sectors, the beneficiaries (e.g. the Slovak Railways, the National Motorway Company, the Slovak Road Administration, the City of Bratislava and Košice, Žilina City, the City of Prešov, Banská Bystrica City) are also the operators. With respect to the modernization of passenger rail transport's rolling stock, the national rail passenger transport operator is Slovak Rail, but there are also city transport operators (Bratislava, Košice, Prešov, Žilina). The beneficiaries in the case of waterway transport projects are the Waterborne Transport Development Agency and Public Ports. For Priority 7, the beneficiaries are the different ministries of the Slovak Republic. For projects covered by the Technical Assistance Priority Axis, the beneficiaries are the Ministry of Transport and Construction of the Slovak Republic, the Intermediate Body for Priority Axis 7 (the Deputy Prime Minister's Office for Investments and Informatization of the Slovak Republic) and the Slovak Government.

Areas of support within OPII:

- the modernization and development of railway infrastructure;
- the modernization and development of road infrastructure;
- **the modernization and development of water transport;**
- the development of public passenger transport;
- building an information society.

Eligible costs:

- Intangible assets – The intangible fixed assets are components of assets valued at more than €2,400 and have a service life longer than one year. Intangible assets whose value is equal to or less than this amount may be included in the intangible fixed assets (if the entity's decision is addressed by the beneficiary) when the useful life of such assets is longer than one year.
- Tangible fixed assets
 - land, buildings, apartments and non-residential premises, works of art, collections, articles of precious metal;
 - separate movables – with the exception of movable property referred to in the previous point – and sets of movable assets having a separate technical and economic designation with an entry price of more than €1,700 and operating for more than one year.
- Stock – Movables with a service life of no more than one year, regardless of the purchasing price. Tangible assets which are not defined as non-current tangible assets are also recognized in this budget line.
- Consumption – Energy consumption (e.g. water, gas, electricity) and other non-loadable deliveries (e.g. concrete).

- Services – Repair and maintenance; travel expenses; rent, warehouse; telecommunication charges, postal charges; transport and transportation costs; computer services, printing; consulting services, legal services, interpretation and translation services, audit, expertise, marketing-like studies; education and training services (e.g. training courses, seminars); conferences, symposiums; the acquisition of intangible assets that – as decided by the entity – were not classified as intangible fixed assets; the cost of equipment review, periodic inspections of equipment, device functionality tests, technical inspections and emission controls; the costs of advertising, publicity.
- Personal expenses – Wages, salaries, statutory employers' contributions as well as compulsory social costs (nursing, social fund benefits, etc.). In addition, contracts for the performance of out-of-work work, including the compulsory employer's contributions.
- Other expenditure – Other items not included in the previous groups that relate to economic activity, such as contributions to legal persons, insurance for assets designated for operating activities and other operating-related premiums.

4.8.1.1 Assessment and selection process

Requests for grants (non-returnable financial contributions – NFCs) consist of the application form and the required attachments, by which the grant applicants file a request for NFC, and under which the Steering Committee decides whether to approve the application for project implementation. The applicant submits to the grant on the basis of a Call for Submission of Application for the Grant, which the OPII directive institution issues for each eligible applicant separately. The OPII call is announced by publishing it at [OPII's website](#) and, at the same time, sending the applicant information about the publication of the call electronically.

The submitting terms are:

- the applicant's eligibility;
- the eligibility of the project implementation activities, the costs and the project site;
- the criteria for project selection;
- the funding method;
- the conditions for granting contributions under special regulations;
- and additional terms of contributions.

5 Best practices

5.1 Austria

5.1.1 Expansion of the tri-modal inland port of Vienna by land recovery – TEN-T Multi-Annual Programme

The [Freudenau Port of Hafen Wien](#) is the only trimodal logistics location in the Greater Vienna area, therefore, offers key advantages for the intermodal transport of goods. Its expansion required a very long preparation and review procedure. In the beginning of this decade, the increase in container transshipments at the port (by 38% to nearly 442,000 container units in 2011) has frequently caused bottlenecks in terms of cargo handling space. The project started with studies aiming to plan and design the expanded port, including all of the necessary steps from preliminary planning through obtaining the building permit to publishing the work tenders. After these preparations, the proposed action consisted of works aiming to expand the port, concerning specifically the extension of the port's container handling capacities through land recovery and the construction of a new quay wall in order to optimise the areas of operation. The project had a total budget of €12.79 million between January 2012 and December 2015, with 20% of EU support.

5.1.2 INWAPO: Upgrading of Inland Waterway and Sea Ports – Central Europe Transnational Cooperation Programme

Between October 2011 and September 2014 – with a total budget of €3,808,299 – the [INWAPO](#) project focused on three different waterway systems: the Danube river, the North Adriatic range and the Czech and Polish waterways. Comprising of a team of 13 partners from 7 countries (Austria, Italy, Slovenia, Hungary, Poland, Slovakia and the Czech Republic), the project intended to achieve the following:

1. Promoting better connections of the Central European ports with their hinterlands as well as with other ports, focusing on the relations between inland ports and maritime ports.
2. Promoting better integration of the different transport modes in the Central European area, with specific attention on investments in intermodal solutions and ICT applications for inland and sea ports.
3. Ensuring the development of tri-modal transport hubs of the area and the balanced development of road, rail, maritime and inland waterway transport.
4. Supporting the activation of new transport services along the Danube river and rail connections.

INWAPO has reached better coordination among decision makers and stakeholders involved within the logistics multimodal field, allowing for a growth in competitiveness for the alternatives to road transportation.

5.1.3 EMPIRIC: Enhancing Multimodal Platforms, Inland Waterways and Railway Services Integration in Central Europe – Central Europe Transnational Cooperation Programme

The main goals of [EMPIRIC](#) were to provide an adequate preparation to the incoming investments in infrastructure and services; to strengthen the attractiveness of multimodal transport with a focus on the interconnection between Adriatic ports through the activation/support of existing railway services; as well as to ensure the transfer of experience and knowledge related to the inland navigation developed along the Danube river to the Po river. It brought together major policy makers, stakeholders and market players of this north-south corridor. The project aimed to improve the sustainability of transport by stimulating the activation of economically viable intermodal services linking the Adriatic Sea with the Central European

regions; and also promoted the use of intermodal transport solutions by proposing economic tools to achieve a modal shift and supporting matchmaking between service providers and relevant customers in the framework of public events. Recommendations for greener freight transport along the corridor were produced following the analysis of freight traffic flows, logistic services and market incentives in the six partner countries (Italy, Slovenia, Austria, Hungary, the Czech Republic and Poland). They carried out 10 regional analyses, a transnational feasibility study, five impact analyses of new multimodal services and infrastructure, an analysis on safety training procedures in the Czech Republic and Poland, and five further analyses of national inland navigation. In addition, a GIS-tool was made available on the project's website for multimodal platform mapping, and a River Information System for know-how transfer was also set up.

5.2 Bulgaria

Since the best practice nature of a project is strongly related to the conditions of the funding instrument, the three best practices of the Bulgarian Ports Infrastructure Company were selected along with the respective funding schemes under the following two criteria:

- the greatest volume of financial support;
- and the shortest application procedure.

5.2.1 Vessel Traffic Management Information System (VTMIS) – Operational Programme on Transport 2007-2013

5.2.1.1 *Why best practice?*

Bulgaria was the first country in the Black Sea region to set up a system to improve the safety of navigation and the protection of human life at sea. The National Vessel Traffic Management and Information System (VTMIS) was established for this purpose in stages in the time period between 2002 and 2015. The National Maritime Safety System covers the entire Bulgarian coastline and the offshore areas from Romania to Turkey. During the implementation of the third phase of the project (2012-2015), all communication and information subsystems were integrated into a common national maritime information system with an extended scope and functionality.

The project met the set of conditions associated with the implementation of operations under Priority Axis 4, namely:

- improving the safety and port infrastructure in the region and the water area of the sea ports in Bulgaria;
- building coastal centres for vessel traffic management and information services in Burgas and Varna and the establishment of a centre for e-documents in the maritime transport of Bulgaria;
- and establishing and developing the navigational information system.

5.2.1.2 *Short description*

The project represents the Bulgarian part of the EU's vessel traffic and monitoring system (SafeSeaNet) which ensures effective and safe navigation through the maritime areas of the European community. The main objective of the project was to improve the safety and efficiency of maritime transport and reduce the ecological impacts of pollution caused by the vessels.

1. Improving the safety of navigation: the system provides communication with ships and the competent authorities in emergency and distress situations.

2. Increasing the efficiency of shipping: the system optimizes the management of ship traffic through the continuous exchange of information between participants of the transport process and competent state authorities.
3. Environmental protection: the system – by constantly monitoring the vessels' traffic – makes it possible to prevent emergencies involving spills. In case of contamination, it makes the information available to the relevant government departments to identify the potential offending ship.

The system also counteracts smuggling and human trafficking. The main components of VTMS are the two coastal centres in Varna and Burgas as well as 18 sites situated along the Bulgarian coast. They are used for control over all the vessels in the region and spill monitoring. The VTMS system consists of hi-tech equipment and the most advanced computer technologies for radio electronics. Access to these is provided to all institutions of maritime transport. The total budget was €20,014,581.

5.2.2 Feasibility Study on the Development of the Port Community Information System (PCS) of the Bulgarian Ports – Operational Programme on Transport 2014-2020

5.2.2.1 Why best practice?

The size of the project is small, and it cannot be mentioned as a best practice, but the scheme has to be regarded as one, for future continuation. The positive elements of the funding instrument can be highlighted as follows:

- a very short application procedure (2 months from the launch of the call to the decision);
- a short implementation phase (18 months);
- and the contribution from the project funds is calculated on the basis of the eligible costs for the specific project.

5.2.2.2 Short description

PCS is a standardized electronic platform connecting several systems and allowing smart and secure exchange of information between public and private stakeholders. The platform aims at improving the competitiveness, optimization and management of the ports and the logistics processes through single data submission. PCS provides a great variety of services such as the easy, fast and effective exchange of information, the electronic processing of customs declarations and all information on the import and export of containers, general and bulk cargo and others. Currently, there is no vision for the development of a port community system in Bulgaria. In this regard, the present project provides for an elaboration of a common vision for the development and implementation of the PCS, drawing up the model and the basic functions of the system for the electronic exchange of information in the Bulgarian ports, preparing the contractor's selection documentation, and working on projects for legislative changes related to the development of information systems for the port community. The total budget is €170,859.18.

5.2.3 Implementation of River Information System in the Bulgarian stretch of the Danube River (BULRIS) – Operational Programme on Transport 2007-2013

5.2.3.1 Why best practice?

Bulgaria was the first country on the Danube River, where an administrative and operational centre for monitoring ship traffic was built. It was implemented within the project 'Implementation of River Information System in the Bulgarian stretch of the Danube River – **BULRIS**'. The systematic investigation of the riverbed is important for the safety of navigation and for maintenance work on the port infrastructure and the water

area. With this project, Bulgaria initiated an innovative approach to the management of river ports which can be copied by other relevant partners in a similar situation.

5.2.3.2 Short description

BULRIS was a large-scale and complex project, involving design and construction work, the supply of hardware and software for communication services, radio related lines, radio telephone, radar systems and a system for the monitoring and surveillance of vessel traffic. The specific objectives of the project were the following:

- establishing the telecommunication infrastructure of RIS in the Bulgarian part of the Danube;
- creating the conditions for ensuring interaction with the information systems serving other modes of transport;
- building a modern site for a RIS Center in Bulgaria with 24/7 duty and highly qualified experts/operators.

The core structure of the BULRIS system was built and put into operation in the beginning of 2014. At the end of the same year, the River Information Services Center was officially opened in Ruse, which focuses on the entire management of the communication components. The total project cost was €19,136,771.65.

The BULRIS system combines the functionalities and data collected through the following subsystems, among others:

- a radio relay network with a total length of 396 km – they provide the transmission of data from the eight base stations to the River Information Services Center (all radio relay lines are based on a Hot Standby scheme);
- a communication infrastructure that includes routers, switches and other ancillary devices to provide data transfer, increase flexibility, add VPN connectivity and optimize the connectivity of the RIS Center, the Reserve Center in Varna and the sites of the system;
- radiotelephone coverage with eight base stations – each base station has three VHF radiophones that are connected to the network environment and can be remotely controlled by the RIS Center;
- an Automatic Identification System (AIS) accepting information from all ships that are within its scope – the visualization software has the ability to automatically update data, visualize data from the ship's AIS stations, track a ship, send and receive messages, turn on and off alarm zones, and more;
- a radar subsystem with 7 radars along the Bulgarian coast;
- video monitoring of critical areas by thermal imaging cameras; etc.

The services provided by the system include up to date information about the shipping lane, radar pictures and video surveillance with an option for thermal image, traffic information along the Danube river, information about the logistics, legislation and applicable navigation rules on the territory of each country, threats along the waterway, disaster signals and a free Wi-Fi zone in all Bulgarian river ports.

5.3 Croatia

The best way to describe and assign some of the projects as good practices is the experience during the project application and implementation. The selection was based on the amount of funding from the three different programmes, and project activities that gain the necessary benefits for the ports and improve inland

navigation, Croatian inland waterways and the operation in Croatian river ports such as Vukovar, Osijek and Slavonski Brod.

After the above-mentioned careful consideration, three best practices were finally selected under the following criteria:

- the process of application;
- the greatest volume of financial support;
- and the ability to acquire good partner references.

5.3.1 Construction and modernization of port facilities in inland waterways (Port of Osijek) – Operational Programme Competitiveness and Cohesion 2014-2020

5.3.1.1 *Why best practice?*

As it was discussed in a previous chapter, the **OPCC** is co-financed from the ERDF and the Cohesion Fund, while its strategy is based on the 9 thematic objectives of the Common Strategic Framework and their respective investment priorities. Through an open tender – from 31 October 2017 to 31 December 2018 – there is enough time to collect the necessary documentation, consult the Ministry for clarification and apply with the project. The mandatory documents are not excessive: only the application form, the applicant's statement, a detailed overview of the project costs, a feasibility study with a cost-benefit analysis and the construction and location licences were needed. Some of the reasons for the application of this project idea to this funding instrument were the following:

- The application required a relatively short preparation procedure (2 months).
- The programme's management structure is made up of well-organized management bodies which helps in the project generation and assessment.
- It was a one-step application procedure, equal for all applicants: everyone had to submit the whole applicant's package which served as a basis for the evaluation of the project idea.
- The application procedure was very simple, and the list of eligible costs was acceptable.
- There were no prerequisite requirements.
- The MIS system is relatively simple.

This is the first project from all the sea and river ports in Croatia approved for co-financing from EU funds (the aid intensity amounts to 90% of the eligible costs).

5.3.1.2 *Short description*

The **project** encompasses:

- a construction of a shore for 240 m long bulk cargo with two berths for ships;
- a transshipment superstructure;
- a conveyer (300 m);
- continuing the construction of the railway tracks in a length of about 450 m;
- the construction of the access road in a length of about 300 m;
- and the construction of the required infrastructure for terminal operation (water supply, rainfall drainage, lighting, electricity supply, etc.).

The total area of the planned project is 4.5 ha, with a total value of 145,533,786 HRK.

5.3.2 Infrastructure upgrading and the development of terminals and supporting facilities in the Port of Slavonski Brod – CEF

5.3.2.1 Why best practice?

This [project](#) (and CEF) can be regarded as a best practice for the following reasons:

- large available funding for the transport infrastructure;
- the maximum possible co-financing is high – 85%;
- there are calls for proposals annually;
- it is a relatively simple application procedure;
- and the government is obligated to provide support.

5.3.2.1 Short description

The project is aiming at upgrading the port infrastructure of Slavonski Brod and its connections with the rail, road and inland waterway TEN-T network, moreover, the main objective is to increase the latter on the Rhine-Danube Corridor and ensure the good navigational status of the Danube. The activities are the following:

- capital dredging works in the Sava river area in front of the port's vertical quay;
- the construction of two new vertical quays and a handling and logistics area;
- the construction of an industrial road network, industrial rail tracks and a crane rail;
- the construction of two handling and logistics area (1,700 and 1,400 m²);
- the upgrade and installation of the port's public utilities infrastructure;
- and the construction of a port weigh house.

The estimated total cost is €11,677,373.

5.3.3 COvention for WAste Management for Inland Navigation on the Danube (CO-WANDA) – South East Europe Cooperation Programme 2007-2013

5.3.3.1 Why best practice?

The Vukovar Port Authority was proposed as a reliable partner to this consortium by the partnership from [CO-WANDA](#). This as a very important way for inclusion in other ongoing and planned projects. Moreover, this project can be regarded as a best practice for the following reasons, too:

- Besides the innovative nature and importance of educational materials to promote onboard waste prevention and pre-treatment, the project enables the integration of RIS and waste management activities into a more efficient transboundary coordination and monitoring system.
- Through the project, a financing system and a software that supports the related administrative tasks was defined for the first time in Croatian river ports.
- It is a significant port development project with an innovative character for the improvement of the existing capacities for ship waste management in inland navigation.

5.3.3.2 Short description

This two-years cooperation project had defined a technical and professional framework of ship waste management and enabled the implementation of a pilot test and the comparison of new developments and good practices. The effective results were the distribution of educational materials to promote onboard waste prevention and pre-treatment, the integration of RIS and waste management activities into a more

efficient transboundary coordination and monitoring system, the creation of a financing system and the set-up of a software that supports the related administrative tasks, and the improvement of the existing capacities for ship waste management. Working closely with collecting ship waste operators, practice experience was exchanged. This way, adequate measures were identified in accordance with user needs. In addition, the project offered suggestions for infrastructure development concepts which serve as the basis for the establishment of adequate modern network centres for accepting ship waste along the entire Danube, reducing the risk of improper disposal of waste and contributing to the protection of the ecosystem of the Danube. A pilot test was conducted, with the aim of collecting data and the practical experience necessary for further analysis and monitoring. Special attention was given to the inclusion of waterway users such as shipping companies and operators. The total budget of the project was €1.82 million.

5.4 Germany

5.4.1 Danube STREAM: Smart, Integrated and Harmonised Waterway Management – DTP

A transnational harmonisation of smart traffic infrastructure information for the Danube is an important prerequisite for public authorities to be capable of satisfying user needs of the commercial IWT (inland waterway transport) sector. The objective of this [project](#) is to establish and maintain an efficient and environmentally friendly transportation network by further developing the waterway infrastructure management. In addition to consolidating common standards and tools, the project's results and outputs include user-oriented information services which enable rapid information transfer on the quality of the waterway's infrastructure. The project has many innovative elements (e.g. inland waterway infrastructure improvement pilots). Moreover, Danube STREAM efficiently capitalises on previous project results (i.e. the South-East Europe project NEWADA) to build on existing knowledge and deploy results closely together with targeted users of the Danube waterway. The project's overall budget is €2,108,661.42.

5.4.2 Improvement to rail traffic accessibility in the European Core Network Port of Regensburg – CEF

Eliminate bottlenecks of rail traffic – this is the goal driving a €5.48 million investment program by bayernhafen Regensburg concerning its rail infrastructure up to 2018. €1.096 million will come through a grant awarded to the Bayernhafen Group by the EU. The EU funding emphasises yet again the importance of bayernhafen Regensburg as a logistics hub in Europe. The investment is earmarked for improvement works such as extending the rail facilities to accommodate block trains, expanding the electrification of the rail facilities and improving the flow of traffic at level crossings in the port. Along with bayernhafen Nuremberg, bayernhafen Regensburg is one of the two inland ports in Bavaria that the EU has defined as Core Network Ports of European importance, located on one of the nine central transport routes in Europe, the Rhine-Danube Corridor.

5.4.3 GREEN DANUBE: Integrated transnational policies and practical solutions for an environmentally friendly inland water transport system in the Danube region – DTP

The medium and long-term perspective of IWT in the European Union highlights that the market of this sector will grow about 80% until 2040. Without policy intervention, in the year 2020 the average emission level of air pollutants of inland navigational vessels will – in many cases – be higher than that of trucks. The [GREEN DANUBE](#) consortium addresses the major challenge of strengthening environmentally friendly, safe and balanced transport systems by adopting a three level approach which targets and focuses on:

- institutional capacity building by the active involvement in pollutant emission reduction along the Danube through measurements of emissions;

- organizational capacity building and cooperation in the Danube sector for investigating and assessing the existing green technologies and best practices and providing tailor-made innovative solutions; and
- individual capacity building by testing the environment information centres through pilot actions that will raise the intensity of cooperation between the Danubian countries, ultimately ensuring long-term transnational cooperation.

Acting as a policy driver for a stronger multilevel cooperation, GREEN DANUBE guarantees the replication of the project outputs in the entire Danube region and beyond. Its overall budget is €1,586,244.

5.5 Hungary

The best practices of the Freeport of Budapest were selected under the following criteria:

- shortest procedure;
- greatest volume of financial support;
- and positive impact on the environment.

The positive effects of the projects are assessed together with the above criteria, given their very different sizes which make them hardly comparable.

5.5.1 KÖZOP-4.5.0-09-11-2012-0003 Implementation Phase – KÖZOP-4.5.0-09

5.5.1.1 *Why best practice?*

The implementation of this project required a very long preparation procedure and experienced several application processes:

1. The elaboration of the feasibility study started in 2010 in the framework of the KÖZOP-4.4.0-09 funding scheme (only for preparation studies).
2. The technical preparation i.e. designing the plans was elaborated in the KÖZOP-4.5.0-09 preparation project.
3. Due to the changing state aid conditions, the project had to be notified individually to the Commission, which required an additional application procedure with the DG Competition.
4. Having been approved by the DG Competition, the proposal had to be submitted again to the KÖZOP-4.5.0-09 scheme for the implementation phase.

This project can be regarded as a best practice for the following reasons:

- It is the very first precedent for individual project notification in port development to the Commission from Hungary.
- Though the multi-step application procedure was rather long and complicated, the MA was very flexible to adapt the process to the changing conditions for the most effective implementation possible.
- This was the greatest size of a completed port infrastructural development in the Freeport of Budapest and the second greatest amongst the Hungarian ports so far, with the high grant rate (92%) justified by the funding gap method of the cost-benefit analysis.

5.5.1.2 Short description

Implementing the first phase of the intermodal and capacity building development in the Budapest Freeport of Csepel consisted of the following project elements with a total budget of 3,238,755 HUF:

- upgrading the Kültelki and Mirelite tracks;
- coastal protection of the south-east corner of the II. retail basin;
- building a small open cargo bay;
- reconstructing the 28's bypass and the V. and VI. cover of marshalling rails;
- pull-out rail lighting;
- the northern, southern and north-south connecting road;
- building the IV. parking area;
- and a dock for heavy goods.

5.5.2 IKOP-2.1.0-15-2016-00025 – Mobile dam project in the Freeport of Budapest

5.5.2.1 Why best practice?

The construction of a mobile dam in the Freeport of Budapest is no doubt the first flood prevention investment in the Hungarian Danube ports. Since the project has the nature of environmental protection, the EU subsidy did not fall under state aid regulation.

According to the findings of the Climate Risk Analysis, due to the changing parameters of climate the sensitivity of the inland port infrastructure and port accessibility is high in correlation with the inland water level. The establishment of the new mobile dam structure was deemed an adapting solution against the sensitivity caused by high water level and potential floods. Taking into consideration the forecasts on the impact of climate change, this sensitivity is about to increase due to the change of rainfall patterns and flood waves.

This project can be regarded as a best practice for the following reasons:

- It is the first flood prevention development in Hungarian inland ports with mobile technology.
- It is the biggest port development project with the aim of environmental protection.
- It is the first port development project supported by a Climate Risk Analysis.
- As a result of the development, the yearly average 14 days, when the port cannot be used due to floods, will drop to zero. This change has a significant impact on the business environment of the logistics centre.

5.5.2.2 Short description

In this IKOP project, MAHART-Freeport is responsible for the construction of a mobile flood protection dam in the Freeport of Budapest with a 1,580 m² surface and a 600 m² warehouse storing the mobile elements of the dam. The investment is aimed at the construction of a mobile flood barrier, which forms part of the port's quay walls, it is custom-built for this specific port and designed to secure the port's ability to provide transport-related services. The foundation of the flood barrier is fixed, but its topmost elements can be demounted when not needed (in the absence of a flood).



5.5.3 PAN-LNG-4-DANUBE project – CEF

5.5.3.1 *Why best practice?*

In the first steps, the [PAN-LNG-4-DANUBE project](#) examines all necessary technical, economic and customer-related requirements to ensure an innovative, modular and openly accessible LNG (Liquefied Natural Gas) offshore bunkering for inland waterway vessels and onshore refuelling service for long haulage trucks, as well as for trains. Based on these findings, the project will identify all the requirements linked to the first stages of the development of an LNG ship-to-ship bunkering vessel, up to its technical design.

This project can be regarded as a best practice for the following reasons:

- This is one of the first winning projects in Hungary under the funding schemes of CEF.
- Besides the innovative nature and importance of the initiative, the project selection procedure was exceptionally efficient in terms of the timeframe and the administrative burdens, too.
- This is the first port development project in Hungary contributing to the European alternative fuels implementation strategy.
- It is the first port development project with a strongly innovative character.
- Real-life experiences related to the operations of on-shore LNG bunkering and LNG-propelled vessels on the Danube are included, through two pilots:
 - innovative LNG bunkering and refuelling station for vessels and trucks in the Freeport of Budapest,
 - retrofitting and operating a freight vessel with LNG propulsion.

5.5.3.2 *Short description*

The overall objective of this CEF project is to foster LNG use in the inland navigation sector across the Danube, therefore contributing to the European alternative fuels implementation strategy. The action, including a study and a real-life pilot deployment, is implemented in the Core Port of Csepel-Freeport, not only the biggest inland port in Hungary but also a crossroad for flows and transshipment of freight between inland waterway, rail and road transport, located in the southern part of Budapest on the Rhine-Danube Core Network Corridor.

5.6 Romania

Since the best practice nature of a project is strongly related to the conditions of the funding instrument, the best practices from Romania were selected along with them, under the following criteria:

- greatest positive impact on inland waterway transport;
- greatest volume of financial support;
- and greatest positive impact on the environment.

The positive effects of the projects are assessed in line with the above criteria, given their very different sizes which make them hardly comparable otherwise.



5.6.1 Danube Inland Harbour Development – DaHar – T.C.P. SEE 2007-2013

5.6.1.1 *Why best practice?*

This project can be regarded as a best practice for its positive effects on inland waterway transport due to the integrated strategy and action plans which helped develop the Galati region (both the port and the municipality).

5.6.1.2 *Short description*

Between April 2011 and March 2014 – with an overall budget of €1,966,100 – small and medium sized Danube cities with ports of international importance carefully analysed the state of the art related to their multimodal cargo transport, and through synthesising the accumulated knowledge with stakeholder participation, they draw up an integrated strategy and – based on it – developed action plans for the individual ports. The project resulted in port cities with improved capacity and also policies related to multimodal port development. It made an important contribution to the functional specialisation of the ports in the transport logistical chain, thus filling the gap between the functions and roles of these cities and those of larger multimodal hubs.

5.6.2 The modernization of the Otelarilor, Stadionului, Frunzei and Gheorghe Asachi streets in Galati city – Regional Operational Programme 2007-2013

5.6.2.1 *Why best practice?*

This project can be regarded as a best practice for the following reasons:

- The streets rehabilitated through the project ensure a connection between the most populated area in the municipality and the port region.
- The Municipality of Galati received top financial support through this project (40,866,455.38 RON ERDF funding out of 50,860,554.28 RON).

5.6.2.2 *Short description*

The money was used for the rehabilitation of the road surfaces and streetcar lines between Otelarilor Bd. and the Stadionului, Frunzei and Gheorghe Asachi streets. The project also included the modernization of the Public Garden, the Rizer Park and the street surface of Unirii Street, with Nicusor Ciumacenco added.

5.6.3 CODENAV (Collecting system for ship-generated waste discharged in maritime Danube Ports) – National Operational Programme for Transport

5.6.3.1 *Why best practice?*

This project can be regarded as a best practice for the following reasons:

- great impact on the transport activity by reducing the environmental effects of waterway transport and complying with MARPOL rules;
- and implementing Directive 2000 59 EC on waste reception facilities in ports.

5.6.3.2 *Short description*

Between 31 December 2010 and 30 December 2013 – with a total budget of €10,010,881 – the project developed an integrated system for ship waste reception in all Romanian ports situated on the maritime sector of the Danube (Galati, Braila and Tulcea), through purchasing ships, installations and equipment, as well as through infrastructure works. The result was a specialized fleet composed by two self-propelled

vessels for intervention and three floating storage capacities equipped with installations for polluted water treatment and the separation of waste oil from bilge water. The fleet also supports the national coordinator for emergency situation management in case of accidental water pollution.

5.7 Serbia

Serbia is not a member of the EU; therefore, only a limited number of funding instruments are available for the implementation of development projects. The most popular funding instruments so far are the Horizon 2020, the FP7 and the Interreg programmes.

Some of the most relevant projects related to the development of logistics on the Danube river are described below. Additionally, the projects WANDA and [CO-WANDA](#) (the latter described as a best practice in Croatia) as well as WATERMODE, RISING, NEWS, etc. should be at least mentioned here as well.

The best practices in Serbia were selected under the following criteria:

- greatest financial support,
- sustainable cooperation,
- and positive impact on the decision makers.

5.7.1 Implementation of River Information Services in Serbia – Pre-Accession Assistance (IPA) National Programme 2007

5.7.1.1 *Why best practice?*

The [project](#) had a great influence on the development of inland waterway transport in Serbia through the implementation of the River Information Services (RIS) on the Danube river. It was recognized as one of the priority projects in the Master Plan for IWW Transport in Serbia (2006) – for the development of an efficient and sustainable transport system in the whole region, River Information Services (RIS) needed to be developed on the Serbian section of the Danube. The project:

- enhanced the traffic safety by monitoring and managing the traffic on the Danube;
- optimized the utilization of the waterway;
- established the manageability of the traffic on the Danube by providing the possibility of giving navigational/directional aids;
- enabled the authorities to manage and plan the traffic operation and strategy;
- enabled quick and timely response in the event of an accident or similar;
- improved safety, manageability and timely response in any incident which involves hazardous cargo;
- enabled the authorities to distribute information to other operators and organizations to integrate the information into logistics chains and enable seamless transport operations;
- and ensured compliance with the International Border Management Strategy and other existing RIS in the region.

5.7.1.2 *Short description*

The implementation of the project was financed from the IPA 2007, starting in 2009 – with a total budget of €10.5 million – and lasting until 2013. It included the supply of the necessary RIS equipment, system integration and the supervision of the implementation. The result of the project is an operational RIS system, consisting of sub-systems for tracking and tracing vessels (through 15 base stations), notices to skippers, voyage planning, the correction of GDP signals according to the IALA standard, etc. Thanks to this project,

the RIS system in Serbia is one of the most sophisticated systems on the whole stretch of the Danube river. The Directorate for Inland Waterways Plovput was the local beneficiary.

5.7.2 NEWADA – South-East Europe Transnational Cooperation Programme 2007-2013

5.7.2.1 *Why best practice?*

The project **NEWADA** (**N**etwork of **D**anube **W**aterway **A**ministrations) increased the efficiency of the Danube as the European Transport Corridor VII by intensifying cooperation between waterway administrations. The project included the cooperation on hydrographical and hydrological tasks, the preparation of national strategy plans in order to harmonize efforts and measures, ensured common understanding, the identification of similarities among the bottlenecks and the implementation of common solutions for their removal, enabled the implementation of ICT networks and services, and defined relevant data for the waterway administration and its interfaces. The project also created a common cooperation strategy and conditions for the Danube administrations' cooperation and therewith ensured the long-term sustainability of the project results.

5.7.2.2 *Short description*

The project provided the following results:

- national strategy plans for waterway maintenance, hydrology and hydrography which were the basis for pilots, implementation guidelines and further bi or multilateral projects;
- a web portal containing relevant fairway related data;
- the elaboration of an organizational strategy for each country fostered cooperation between the waterway authorities, development agencies and ministries within;
- the “Board of Directors” involving the directors of each waterway administration and ensuring the sustainability of the project results;
- and the sustainable cooperation of the Danube waterway administrations through the regular meetings of the “Board of Directors”.

The total budget was €2,864,546.

5.7.3 DaHar (Danube Inland Harbour Development) – South-East Europe Transnational Cooperation Programme 2007-2013

This project has already been mentioned in a [previous section](#), but here, the focus is on its Serbian aspects.

5.7.3.1 *Why best practice?*

The DaHar project gathered small and medium-sized Danube cities with inland waterway ports of international importance around the idea to enhance the interregional economic development of these cities through the optimal utilization of port development in the frame of enhancing waterway cargo transport on the Danube. It provided insights into the status quo of port development, former port development projects and the legal background of port development in each DaHar countries. The status quo was set as the basis for the development of an integrated strategy for the functional specialization of ports in the logistics chain. Based on the strategy, local action plans were developed. The outcomes of the DaHar project were accepted by the decision makers in Serbia and were included in the Strategy for the Development of Water Transport of the Republic of Serbia from 2015 to 2025.

5.7.3.2 Short description

The main activities included a careful analysis of the state of the art related to multi-modal cargo transport development, an intensive exchange of other partners' expertise in formulating the development potentials of individual ports (deep dive process), synthesizing the accumulated knowledge in the form of a Master Class with stakeholder participation, drawing up an integrated strategy for the functional specialization of ports in the logistics chain and developing concrete action plans for individual ports based on the common strategy. The overall project budget was €1,966,100.

5.8 Slovakia

5.8.1 RIS COMEX: RIS Corridor Management Execution – CEF

RIS COMEX joins the forces of 13 partner countries to improve cross-border cooperation with a view to creating a consistent service for the whole corridor, with common data quality, equal service level and unique access. The partnership encompasses the connected TEN-T core waterway network, from France through Belgium and Luxemburg to the Netherlands and via Germany, the Danube (with Austria, Slovakia, Hungary, Croatia, Bulgaria, Romania and Serbia), and the Czech Republic. The project aims for the implementation and operation of cross-border River Information Services based on the exchange of RIS data. These RIS-based Corridor (Information) Services shall allow for traffic management by the authorities and for transport management by the logistics sector, and also for route planning, or for voyage planning, which are at present only – if at all – available in fragments. The estimated total cost of the action is €6,727,837. The final outcomes of the project will be the following:

- the better planning of inland waterway transport (increased reliability of transport times);
- the reduction of waiting and travelling times;
- the increase of efficiency within the execution of inland navigation transport;
- the optimal use of infrastructure (increased utilisation of capacities);
- and the reduction of administrative barriers.

5.8.2 Danube Ports Network (DAPhNE) – Danube Transnational Programme

The main aim of **DAPhNE** is to facilitate a balanced development of the Danube Ports as eco-friendly, well accessible multimodal hubs for the transport system of the region and turn them into buzzing economic centres functioning as catalysts for economic growth and the creation of high value jobs. In order to achieve this, a permanent cooperation will be secured between public and private entities along the Danube, each of them bringing in their own specific expertise: ministries, port administrations, port users, specialized consultancy firms, logistics companies and universities.

The project's mission is to establish a well-managed working platform which tackles the most urgent insufficiencies with the help of guidelines, recommendations and concrete pilot activities based on good practices leading into an overall development strategy and action plan for the Danube ports. Port administrations, port users, national and local authorities from the entire region will be able to sign up as members on a voluntary basis. It is expected that by the end of the project there will be approximately 120 members from all Danube countries which will have free access to the DAPhNE deliverables and outputs. This network will allow participants to get in touch, transfer know-how and generate new synergies designed to further develop ports and help them reach their full potential while also keeping in mind their environmental impact. After the project's finalization, the Danube Ports Network will continue to function as a permanent independent entity whose main role will be to facilitate communication between the parties

and organize events (Port Policy Days, Port Info Days) with the purpose of strengthening the ties between port communities.

The total project budget is €2,985,406.15.

5.8.3 Safety project and Emergency plan of the Public Port of Bratislava – OPII

The project was supported by the OPII 2014-2020, Priority Axis 4 – Infrastructure of water transport (TEN-T core), Specific objective 4.1 – Improving the quality of services provided in the public port of Bratislava. The implementation period was between 1 May and 30 November 2016, with a budget of €30,391.81.

The main objective of the project was to elaborate the Safety project and Emergency plan of the Public Port of Bratislava in the following range:

1. Security project: the role of the Security project is to provide suggestions for security measures in the area of the Public Port of Bratislava (in line with the unified security measures applied in other Danube ports). The Emergency plan reflects on this Security project.
2. Emergency plan: the content of the Emergency plan consists of a set of written and graphic documentation including the general part, the standby and the operative part. Thanks to the project, the security aspects of the potential risks were identified, and measures aimed at their elimination or the reduction of existing unacceptable risks were suggested. The project proposes to create zones with control and risk management. The safety documentation reflects the specific status and competencies of the Public ports, jsc. as well as the strategic planning of future development of the public port Bratislava.

Thanks to the project, the security aspects of the potential risks are identified, and measures aimed at their elimination or reduction of existing unacceptable risks are suggested. The project proposes to create zones with control and risk management. Safety documentation reflects the specific status and competencies of the Public Ports, jsc., as well as the strategic planning of future developments in the Public Port of Bratislava.