

Overview of EU funding programmes 2021-2027

The new multi-annual financial framework and recovery plan were adopted in December 2020. While not all the provisions for the sectorial programmes have been finally approved, an overall political agreement on the main points has been already achieved. The next programming period provides the widest ever opportunities for funding and loans for cities in the coming seven years at both national and EU level. It also provides increased opportunities for the network to tap into the new EU funding programmes, reinforcing the work with cities towards our goals.

The European Commission published its initial proposals for the funding programmes under the 2021-2027 multiannual between the end of May and mid-June 2018. In response to the pandemic and crisis, the Commission put forward a revised budget proposal, including for Next Generation EU, in April 2020. Over the past three years, we have analysed the programme proposals in detail and overall worked to ensure:

- a stronger partnership with city authorities empowering them to shape programme priorities based on local development needs
- a stronger integrated approach in the programmes to enable cities to better address complex local challenges
- simplified procedures and better and more direct access to funding for cities.

At programme level, our advocacy activities have led to positive changes for cities, including:

- ERDF and ESF+ now have a reinforced urban dimension with a strong partnership principle still applicable. The earmarking of ERDF for sustainable urban development has been increased from 5 to 8%.
- The co-financing rates for LIFE+ have been increased, making it easier for local authorities to take part in the programme.
- Direct access for cities to support reception and integration of asylum seekers, refugees and migrants under AMIF.
- Horizon Europe has been reinforced increasing the funding potential to support innovation in cities. The mission approach also gives priority to a new ambition for climate neutral and smart cities.
- A stronger role for cities in the Recovery and Resilience facility, with local authorities now being considered as partners and mandatory consultations.

This document provides an overview of the funding programmes relevant for cities. We will update and complete it once all the regulations establishing the funding programmes have been finalised and more information about future calls becomes available. For an overview of the multiannual financial framework and Next Generation EU, more information is available here: [2021-2027 long-term EU budget | European Commission \(europa.eu\)](#)

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List of abbreviations

D	Deadline
DG	Directorate-General
EIB	European Investment Bank
FB	Funding brief
INEA	Innovation and Networks Executive Agency
MFF	Multi Annual Financial Framework (the EU's 7-year budget)
NGEU	Next Generation EU (the recovery fund)
*	2018 prices, to be approved by the European Parliament

ASYLUM AND MIGRATION FUND	
<p>The Asylum and Migration Fund (AMF) is the continuation of the Asylum, Migration and Integration Fund (AMIF) and has a much larger budget. Half of it is not pre-allocated but foreseen to react to crises or emergencies. The AMF also reinforces complementarity with ESF+ and ERDF for medium and long-term integration interventions. The regulation better acknowledges the role of local authorities and implements a higher co-financing rate for cities. More funding will also be managed directly by the European Commission, allowing for more transnational projects to be funded. Minimum amounts have been abolished as well as joint specific actions.</p> <p>In terms of content, the new fund will strengthen a common asylum policy, support legal migration, including improving possibilities for migrants to integrate, and contribute to countering irregular migration and making return and readmission more effective. Funds should also aim at enhancing solidarity and responsibility sharing between the member states and could be allocated to local and regional authorities to support people to integrate into their community.</p>	 <p>MFF 2021-2027: €9.8 billion</p>

COHESION FUND	
<p>The Cohesion Fund is aimed at Member States whose Gross National Income (GNI) per inhabitant is less than 90 % of the EU average. It aims to reduce economic and social disparities and to promote sustainable development. It is now subject to the same rules of programming, management and monitoring as the ERDF and ESF through the Common Provisions Regulation. The Cohesion Fund will continue to provide financial support mainly for environmental and transport infrastructure projects in the cohesion countries. Thus, it will support only PO2 (environment) and parts of PO3 (TEN-T and transport mobility). The focus on these two areas (environment and transport) is the same as in the previous period, and as in the previous period the scope of CF also includes technical assistance.</p>	 <p>MFF 2021-2027: EUR 42.5 billion</p>

CONNECTING EUROPE FACILITY (DIGITAL, ENERGY AND TRANSPORT)



The Connecting Europe Facility (CEF) aims to support the achievement of the EU policy objectives in the transport, energy and digital sector, as regards the trans-European networks, by enabling or accelerating investments into projects of common interest, and to support cross-border cooperation on renewable energy generation. It will aim at maximising synergies among the sectors covered by CEF and with the other EU programmes.

On digital, the digital priorities include providing gigabit connectivity to socioeconomic drivers such as hospitals, schools and research centres, but also wireless connectivity to local communities and very high-capacity networks to households or digital operational platforms associated with energy or transport structures.

On transport, the new focus will be decarbonization and making transport connected, sustainable, inclusive, safe and secure. Cohesion funds will also be dedicated to transport and channelled through the CEF transport. The completion of the core network corridors will be the main focus of the Programme. CEF technical dialogues are ongoing. Eurocities shall engage its members in advocating towards their national administration (responsible ministry) to ensure a greater transparency. In the transport sector, CEF is dedicated to the implementation of the TEN-T and aims at supporting investments in cross-border connections, missing links as well as promoting sustainability and digitalisation.

Finally, the energy part of the budget should be dedicated to transition towards clean energy and a more interconnected, smarter and digitalized EU energy system. Most funding should be allocated to cross-border projects.

First calls are expected to be published in Spring 2021.

MFF 2021-2027:
€28.412 billion

(of which €10 billion will be allocated from cohesion funds);

Repartition:

€21.4 billion for transport (of which €10 billion will be allocated from cohesion funds);
€5.2 billion for energy;
€1.8 billion for digital

CREATIVE EUROPE	
<p>The new Creative Europe programme will focus on cooperation on cultural diversity, cultural heritage, cultural and creative sector competitiveness, international presence as well as media literacy and social inclusion. The programme will be arranged around the already existing 3 strands:</p> <ul style="list-style-type: none"> - Culture (including cultural heritage and the European Capitals of Culture) - Media (dedicated to the audiovisual industry) - Cross-sectoral (activities such as international exchange of experience and peer learning across audiovisual and other cultural and creative sectors) <p>It will intensify testing new business models enabling creators to make best use of digital technology for creation and audience development. It will support European actors' and will invest in developing creative capacities of artists and industry professionals by allowing them to collaborate across borders. It will also support initiatives that allow for social inclusion through culture.</p> <p>Co funding rates (in principle):</p> <ul style="list-style-type: none"> - 80% for the small cooperation projects - 60% co-funding for medium-range cooperation (new category) - 50% for large cooperation projects <p>Creative Europe calls could be out in April (at the earliest), with selection results published in the Autumn, and funding commitments by the end of the 2021.</p>	<p>MFF 2021-2027: €2.4 billion</p>



DIGITAL EUROPE	
<p>Digital Europe is the new EU programme focused on building the strategic digital capacities of the EU and facilitating the wide deployment of digital technologies. It will fund investment in technologies but also in their deployment among citizens, businesses and public administration including through developing digital skills.</p> <p>Key areas for the Work Programme 2021-2022 include artificial intelligence (AI), cybersecurity, advanced computing, data infrastructure, governance and processing, and their deployment and best use for critical sectors like energy and environment, manufacturing, agriculture and health. The programme also targets upskilling to provide a workforce for these advanced digital technologies. It supports industry, SME's, and public administration in their digital transformation with a reinforced network of European Digital Innovation Hubs.</p>	<p>7.5 EUR billion</p> <p>Co-financing rate: up to 100%</p>



The area most relevant for cities include:

- Artificial intelligence (€ 2.061b): opening up the use of artificial intelligence by businesses and public administrations
- Advanced digital skills (€577m): including by upskilling the existing workforce
- Implementation of European Digital Innovation Hubs network (€750m)
- Ensuring the wide use of digital technologies across the economy and society (€1.072b): supporting high impact development in areas such as health, green deal, smart communities and the cultural sector. It will also support European public administrations to deploy and access state of the art digital technologies and build public trust in the digital transformation.

EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF)

The [ERDF](#) aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF will focus its investments on five key policy objective.

Five policy objectives

1. A more competitive and smarter Europe
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe
3. More connected Europe
4. More social and inclusive Europe
5. A Europe closer to citizens

8% of the funding allocations are reserved for sustainable urban development to be managed by urban authorities. This means that in the next programming period urban authorities will decide over at least EUR 17.4 bn (current prices), compared to a minimum of EUR 10.8 bn (current prices) of the previous programming period. In the same period around 30% of the overall cohesion policy funds was invested in urban areas.

As in the previous programming period, the partnership principle remains a key stone and it will be fully applicable for the first time already during programming. A political agreement has been achieved on the regulation, and minor discussions over the annexes are about to end, with a final approval expected before the beginning of spring. In the meantime, the roadmap for the development and the approval of operational programmes is ongoing, albeit on an informal level.

The Commission expects mature drafts in the first quarter of 2021, on which Commission will consult internally and submit feedback to Member States improved documents for smoother adoption process in the formal stage. Formal submissions are expected from the second quarter of 2021.

MFF 2021-2027:

€ 200 bn

EEA AND NORWAY GRANTS



The EEA Grants and Norway [Grants](#) represent the contribution of Iceland, Liechtenstein and Norway to reducing economic and social disparities and to strengthening bilateral relations with 15 EU countries in Central and Southern Europe and the Baltics. Grants are available for national and local authorities, NGOs and civil society organisations, private and public enterprises, educational and research institutions, students and teaching staff and social partners. In particular, the grants for regional [cooperation](#) support the exchange of best practice among local authorities on a variety of themes.

Funding period 2014-2021: €2.8 billion

<p>The EEA and Norway grants are targeted at specific countries and subjects such as education, social inclusion, youth employment, poverty reduction, environment, energy and climate, culture and good governance, fundamental rights and justice. Bulgaria, Cyprus, Czech Republic, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia are eligible to EEA and Norway grants. Greece and Portugal are only eligible to EEA grants</p>	
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ERASMUS+		 
<p>In 2021-2027, Erasmus+ will continue to cover school, vocational education and training, higher education and adult learning, youth and sport. The fund will further promote activities which foster knowledge and awareness of the EU and opportunities related to knowledge on forward looking topics like climate change and robotics. Opportunities for students in higher education or vocational education to have an experience outside Europe will be extended. Erasmus+ should also improve the outreach and inclusion through new formats like virtual exchanges and shorter learning periods abroad. The new programme also allows for smaller and grassroots organisations to apply to funding. The administrative burden will also be simplified.</p>	<p>MFF 2021-2027: €26 billion</p>	

ESPON



The [ESPON](#) programme organises and finances applied research, place-based analyses and specific tools to support the formulation of territorial development policies in Europe with evidence, systematic data, maps, policy advice and pan-European comparative analysis. ESPON assists regions, cities and national governments to improve the quality of their decision-making by supporting the development, implementation and monitoring of their policies and strategies.

In the upcoming programming period, ESPON will aim at bringing the evidence closer to the user, in particular policy maker. The fund will put a strong focus on green transition to climate-neutral economies while ensure just living conditions for all people, applying a territorial perspective to both strategic orientations. Thematic Action Plans (TAPs) will allow for more integrated approaches by identifying the needs in terms of evidence in relation to a territorially relevant topic.

In particular, the post-2020 ESPON programme will aim to:

- Produce territorial evidence in a well defined framework for a better targeted research work selected on a systematic needs assessment
- Offer a variety of knowledge development activities responding to the demand of stakeholders so they can gain ownership and make use of the evidence produced

ESPON is confirmed for the upcoming programming period but the dedicated budget is not known at this stage

EUROPEAN ENERGY EFFICIENCY FUND



The European Energy Efficiency Fund ([EEEEF](#)) is an innovative public-private partnership dedicated to mitigating climate change, achieving economic sustainability of the Fund and attracting private, and public capital into climate financing.

The EEEF aims to provide market-based financing for commercially viable public energy efficiency and renewable energy projects within the 28 EU Member States. It contributes with a layered risk/return structure to enhance energy efficiency and foster renewable energy by unlocking the substantial potential in the European public sector in the form of a targeted public private partnership.

EUROPEAN SOCIAL FUND PLUS



The European Social Fund ([ESF+](#)) plus is Europe's main tool for promoting employment and social inclusion for all. This new ESF+ brings together several funds related to social inclusion and integrate them into two stands:

- the ESF strand (€87.3 billion*) includes the former ESF, European Youth Initiative (YEI) and Fund for the European Aid to the Most Deprived (FEAD)
- the Employment and Social Innovation fund (EaSI) (€676 million*)

11 specific objectives cover employment, labour market and skills, childcare, education and training, ageing, equal opportunities and integration, affordable services and food and material assistance. The ESF+ will additionally cover the middle and long-term inclusion aspect of migration (previously under AMIF), while short term measures remain under the Asylum and Migration Fund.

To ensure that the main priorities will be covered, specific earmarkings have been defined in the following areas:

- 25% on social inclusion including socio-economic integration of disadvantaged groups
- 3% on food and material deprivation (which isn't counted under the 25% for inclusion)
- At least 5% for child poverty in the countries where their risk of poverty is above EU average¹
- 12.5% for young people neither in employment, education or training (NEETs) in countries where these figures were above EU average pre-covid²
- Adequate funding for capacity building of social partners

An agreement was reached between the European Parliament and the Council. Now both institutions have to formally endorse it. Managing Authorities are currently drafting the Operational Programmes for each country.

MFF 2021-2027: €88 billion

¹ BG, ES, CY, GR, HU, IE, IT, LT, LU, RO, SE

² BG, CY, ES, FR, GR, HR, IT (exact list tbc)

EUROPEAN URBAN INITIATIVE



The [European Urban Initiative](#) combines the Urban Innovative Actions ([UIA](#)) and [Urban Development Networks](#) into a new initiative. The EUI will seek to better connect cities with relevant initiatives at EU level and will provide a platform to further develop sustainable urban development via cohesion policy and other EU programmes. It is the main tool for urban policies and covers all urban areas and priorities of the [Urban Agenda](#). Under the European Urban Initiative, the Commission plans to establish a secretariat for urban matters to support the activities of post-2020 urban agenda as well as intergovernmental cooperation on urban matters.

MFF 2021-2027: €400 million

The European Urban Initiative remains under ERDF and will be implemented in two strands:

- Support for innovative actions (previously under UIA)
- Support for knowledge, policy development and communication (aiming at having evidence-based demonstration for better policy as well as supporting the urban agenda)

The European Urban Initiative will seek a strong link with URBACT IV to further support capacity building activities.

EU4HEALTH



[EU4Health](#) is EU's response to COVID-19, which has had a major impact on medical and healthcare staff, patients and health systems in Europe. By investing €5.1 billion, therefore becoming the largest health programme ever in monetary terms, EU4Health will provide funding to EU countries, health organisations and NGOs. Funding will be open for applications in 2021.

MFF 2021-2027: €5.1 billion

EU4Health will:

- boost EU's preparedness for major cross border health threats by creating
- reserves of medical supplies for crises
- a reserve of healthcare staff and experts that can be mobilised to respond to crises across the EU
- increased surveillance of health threats
- strengthen health systems so that they can face epidemics as well as long-term challenges by stimulating
- disease prevention and health promotion in an ageing population
- digital transformation of health systems
- access to health care for vulnerable groups
- make medicines and medical devices available and affordable, advocate the prudent and efficient use of antimicrobials as well as promote medical and pharmaceutical innovation and greener manufacturing.

HORIZON EUROPE



[Horizon Europe](#) is the world's largest single funding programme for research and innovation. Horizon Europe replaces Horizon 2020 as the EU Research and Innovation programme. New features in Horizon Europe 2020, as compared to its predecessor programme, include: the institutionalisation of the European Innovation Council (EIC), as well as the introduction of strategic planning processes and topic-driven missions. The purpose of the revised programme is to foster and protect a knowledge-driven, innovation-friendly society, and to develop a globally competitive and environmentally sustainable economy.

Horizon Europe is composed of 3 pillars: excellent science; global challenges and European industrial competitiveness; innovative Europe. A cross cutting element also aims at widening participation and strengthening the European Research Area.

The second pillar on global challenges is the most relevant to cities. It replaces the societal challenges under Horizon 2020. It will focus on a set of policy areas: health; culture, creativity and inclusive society; civil security for society; digital, industry and space; climate energy and mobility; food bioeconomy; natural resources, agriculture and environment).

To highlight the impact of EU funding on citizen's lives and focus efforts around measurable, time-specific goals, 5 missions with defined targets were also created. Besides more general missions on climate change, cancer, oceans coasts and water or soil and food), one mission is explicitly dedicated to innovation in cities. EURO CITIES was strongly involved in the definition of the objectives of the mission "climate neutral and smart cities" as rapporteur of the board of experts.

The third pillar is also relevant to cities for including, for the first time, a section on the European Innovation Ecosystems aiming at streamlining international, national and local innovation programmes to stimulate innovation in public service areas and to provide market opportunities to European innovators. Particularly instruments on Public Procurement on Innovation (PPI) and Observatory of Public Sector Innovation could be of relevance to local authorities.

Horizon Europe is expected to be launched on February even if details on significant parts of Horizon Europe even if some of the details are yet to be settled, and representatives of research associations doubt that the timelines put forward by the Commission are realistic.

While the legal text has been already approved, the European Parliament is expected vote only in April the specific goals that the programme aims to achieve through its various components. The final work programmes, including detailed documents with the calls planned for the first years of Horizon Europe, and the first calls for research missions, including the ambitious plan to boost public participation in tackling scientific and technological challenges, will be published after the vote. **You can access the draft work programme at this [link](#).**

Research partnerships co-funded with research agencies are expected to be launched in member states at the end of 2021. The first grant agreements, on the other hand, are not expected to be signed earlier than 2022.

MFF 2021-2027: €90,1 billion

NGEU: €5.4 billion

INTERNAL SECURITY FUND



The [Internal Security Fund](#) promotes the implementation of the Internal Security Strategy, law enforcement cooperation and management of the Union's external borders. It is composed of 2 instruments focussed respectively on borders & visa and police cooperation. The fund will contribute to tackling terrorism and radicalisation, serious and organised crime and cybercrime. With an increased budget, the ISF will aim at fostering the exchange of information between EU law enforcement authorities, cross-border cooperation and increased cooperation between public authorities, civils society and private partners.

MFF 2021-2027: €1.7 billion

INTERREG – EUROPEAN TERRITORIAL COOPERATION



[Interreg](#) will support the following types of actions (referred to as “strands”):

- **cross-border cooperation** between adjacent regions to promote integrated and harmonious regional development between neighbouring land and maritime border regions (Interreg A; (€5.713 billion 72,2% of total resources);
- **transnational cooperation** over larger transnational territories or around sea-basins (Interreg B; (€1.466 billion’ 18,2%);
- **interregional cooperation** to reinforce the effectiveness of cohesion policy (Interreg C; €500 million 6,1%);
- **outermost regions’ cooperation** to facilitate their integration and harmonious development in their region (Interreg D; (€271 million, 3,5%).

A new co-financing rate from ERDF of 80% is being set up with higher rates for cooperation at the EU external borders. Specific provision will also allow for more flexibility for small project funds.

- More resources are expected to be spent on **climate action and social programmes**, including public health;
- Increased **support for small projects and people-to-people projects**: up to 20% within an Interreg programme may be allocated to small project funds;
- **Pre-financing levels** (funds made available to member states following the approval of the Interreg programmes) are set at 1% for the years 2021 and 2022, and at 3% for the years 2023 to 2026, resulting in more liquidity for programmes.

MFF 2021-2027: €7.95 billion

INVESTEU	
<p>InvestEU is the EU's proposed flagship investment programme to kick-start the European economy. It is well-placed to provide long-term funding and to support Union policies in the recovery from a deep economic and social crisis. The InvestEU Programme will bring together under one roof the multitude of EU financial instruments currently available to support investment in the EU, making EU funding for investment projects in Europe simpler, more efficient and more flexible. The InvestEU Programme consists of the InvestEU Fund, the InvestEU Advisory Hub and the InvestEU Portal.</p> <p>InvestEU provides an EU budgetary guarantee of EUR 26.2 bn that is expected to mobilise more than EUR 650 bn on of additional investment across Europe) indicatively distributed across the four policy windows as follows:</p> <ol style="list-style-type: none"> 1. Sustainable Infrastructure window: EUR 9.9 bn 2. Research, Innovation and Digitisation window: EUR 6.6 bn 3. SME window: EUR 6.9 bn 4. Social Investment and Skills window: EUR 2.8 bn <p>At least 30% of the investments under InvestEU will contribute to meeting Union objectives on climate action, confirming InvestEU as one of the main EU programmes contributing to the European Green Deal Investment Plan. Member States will be able, on a voluntary basis, to implement part of their plans under the RRF via the InvestEU programme and the InvestEU Advisory Hub. To ensure rapid deployment and local outreach, InvestEU will be implemented in partnership with the EIB and the EIF and multiple other implementing partners, including international financial institutions and national promotional banks and institutions.</p> <p>The Parliament is expected to vote on the InvestEU agreement in March 2021 and the agreements with the implementing partners will be launched shortly after.</p>	 <p>€26.2 billion</p>

JASPERS (JOINT ASSISTANCE TO SUPPORT PROJECTS I	
<p>JASPERS is a technical assistance partnership. It helps cities and regions absorb European funds through top-quality projects. The aim is to speed up the absorption of ESIF funds intended to achieve greater cohesion in Europe. JASPERS' main focus is on five sectors: energy and solid waste; rail, air and maritime; roads; smart development; water and wastewater.</p> <p>As of 2021, JASPERS will be embedded in the InvestEU Advisory Hub and will expand its activities, also covering implementation issues, financial closure of projects, etc. It is expected to play a key role in ensuring a swift start of investments for cohesion policy in 2021-2027.</p>	

JUSTICE, RIGHTS AND VALUES FUND



The new [Justice, Rights and Values Fund](#) comprises the Citizens, Equality, Rights and Values Programme (bringing together the Rights, Equality and Citizenship Programme and the Europe for Citizens Programme) worth €1.55billion and the Justice Programme. The Right and values programme has 4 main objectives which constitute the different strands:

- promoting equality and rights
- citizens engagement and participation
- fighting violence (Daphne strand)
- European values

The funds will be used for activities built around awareness raising and training, mutual learning including town-twinning, analytical and monitoring, support to civil society organisations and developing capacities of European networks. It integrates all the actions on citizenship previously spread across 2 different programmes.

The new Justice Programme (€305 million) will contribute to the further development of a European area of justice based on the rule of law, mutual recognition and mutual trust, as well as facilitating and supporting judicial cooperation in civil and criminal matters and promoting the rule of law, supporting and promoting judicial training, and facilitating effective access to justice for all and effective redress, as well as promoting and strengthening the rights of victims of crime and the procedural rights of suspects and accused persons in criminal proceedings. Specific attention will be put on promoting gender equality and children's rights.

An agreement was reached between the European Parliament and the Council in December 2020. Both institutions are now in the process of formally endorsing it.

MFF 2021-2027: €1.6 billion

LIFE+ PROGRAMME



[LIFE](#) is the EU's financial instrument supporting environmental, nature conservation and climate action projects throughout the EU. It finances local authorities for implementing best practices, pilot and demonstration projects. New type of projects (strategic nature projects) will also be accepted to support the mainstreaming of nature and biodiversity policy objectives into other EU policies like agriculture. The new LIFE instrument will be composed of 4 sub-programmes:

MFF 2021-2027: €5.432 billion

In the field of Environment (€3.488 billion):

- Nature and biodiversity (€2.143 billion)
- Circular economy and quality of life (€1.345 billion)

In the field of Climate (€1.944 billion):

- Climate change mitigation and adaptation (€0.947 billion)
- Clean energy transition (€0.997 billion). This new sub-programme will address in particular regions less advanced in the energy transition and support projects on energy efficiency and small-scale renewables.

The agreement establishes the following maximum co-financing rates:

(1) up to 60% for (i) strategic nature projects under the sub-programme Nature and Biodiversity, (ii) strategic integrated projects under the sub-programmes Circular Economy and Quality of Life, Climate Change Mitigation and Adaptation, and Clean Energy Transition, (iii) technical assistance projects, and (iv) standard action projects;

(2) up to 75% for projects funded under the sub-programme Nature and Biodiversity in particular those that concern priority habitats or species for the implementation of Council Directive 92/43/EEC or the species of birds considered as a priority for funding when necessary to achieve the conservation objective;

(3) up to 70% for non-profit making entities that are involved in the development, implementation and enforcement of EU legislation and policy and which are primarily active in the field of environment or climate action;

(4) up to 75-95% for technical assistance projects for capacity building to support activities of those Member States with low effective participation in the LIFE programme;

Specific co-financing rates will be further specified in the multiannual work programme to be adopted by the Commission.

The award criteria must be set out by the Commission in the multiannual work programmes as well as in the calls for proposals. But the Parliament and Council agreed that **projects with the highest potential contribution** for the achievement of the Programme's objectives would be given priority, while **projects that provide co-benefits and promote synergies** between the subprogrammes **and projects with the highest potential of being replicated** and taken-up by the public or private sector or of mobilising the largest investments or financial resources **would benefit from a bonus** in their evaluation.

The next step is the formal adoption by both institutions before entering into force. Dates for this are yet to be set.

NATURAL CAPITAL FINANCING FACILITY		
<p>The Natural Capital Financing Facility (NCFF) is a financial instrument that combines EIB financing and European Commission funding under the LIFE Programme, the EU's funding instrument for the environment and climate action. The facility was extended until the end of 2021.</p>		

NEIGHBOURHOOD, DEVELOPMENT, AND INTERNATIONAL COOPERATION INSTRUMENT (NDICI)		
<p>The Neighbourhood, Development, and International Cooperation Instrument (NDICI) will contribute to eradicating poverty and promoting sustainable development, prosperity, peace and stability. It is based on three pillars:</p> <ul style="list-style-type: none"> • Geographic Pillar (€53.6 billion* of which at least €17.2 billion* for neighbourhood and €26 for sub-Saharan Africa): foster dialogue and cooperation with third countries • Thematic Pillar (€5.6 billion*): fund support to human right and democracy, civil society, stability and peace. • Rapid-Response Pillar (€2.8 billion*): allow the EU to rapidly and effectively intervene for conflict prevention and to respond to situations of crisis or instability. <p>An additional flexibility cushion (€8.5 billion*), will allow the EU to account for emerging challenges and priorities.</p> <p>The EU's new financing instrument for international development includes mandatory consultations of towns, regions and their associations in the elaboration of EU development programmes. It also dedicates a minimum of €500 million for towns and regions in partner countries.</p>		<p>MFF 2021-2027: €71.8 billion</p>

PILOT PROJECTS AND PREPARATORY A		
<p>Pilot projects (PP) and Preparatory Actions (PA) introduce new initiative that might turn into standing EU funding programmes. A Pilot Project is an initiative of an experimental nature designed to test the feasibility of an action and its usefulness and lasts not more than two years. A preparatory Action – normally the successor of a successful pilot project on the same matter – is designed to prepare new actions like EU policies, legislations, programmes etc. with funding for not more than three years.</p>		

RECOVERY AND RESILIENCE FACILITY	
<p>The Recovery and Resilience Facility (the Facility) will make €672.5 billion in loans and grants available to support reforms and investments undertaken by Member States. The aim is to mitigate the economic and social impact of the coronavirus pandemic and make European economies and societies more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transitions.</p> <p>Member States are currently preparing recovery and resilience plans that set out a coherent package of reforms and public investment projects. To benefit from the support of the Facility, these reforms and investments should be implemented by 2026.</p> <p>Regional and local authorities can be considered as important partners in the implementation of reforms and investments. In that regard, they should be appropriately consulted and involved, in accordance with the national legal framework.</p> <p>The European Parliament and the Council reached a political agreement in December. The Facility will enter into force when the Council and the European Parliament formally adopt the Recovery and Resilience Facility Regulation, which is expected by the end of February.</p>	672.5 EUR billion



ROMACT	
<p>The ROMACT programme aims to build the capacity of local authorities to develop and implement policies and public services that are inclusive of marginalised Roma people. Managed and implemented by the Council of Europe, it is a joint programme with the European Commission. It is mainly dedicated to supporting municipalities from Bulgaria, Czech Republic, Hungary, Italy, Romanian and Slovakia but other municipalities can be involved through ROMACT Transnational Cooperation and Capacity building (ROMACT TTC). The current programme runs until May 2021.</p>	Average investment of 25 000€ per municipality per year



SINGLE MARKET PROGRAMME	
<p>The Single Market Programme aim at empowering and protecting consumers and enabling Europe's small and medium-sized enterprises (SMEs) to take full advantage of the Single Market.</p> <p>It will address several objectives, especially:</p> <ul style="list-style-type: none"> - Protecting and empowering consumers (Consumer programme) 	MFF 2021-2027: €4.2 billion*



<ul style="list-style-type: none"> - Fostering the competitiveness of businesses, in particular SMEs (former COSME) - Ensuring human, animal and plant health (supporting the safe production of food, prevention and eradication of animal diseases, improving animal welfare) - Providing high quality European statistics (European Statistical Programme) <p>The programme brings together activities currently financed under six different programmes. Its total budget is €4.2 billion. In addition, €2 billion allocated under the InvestEU Fund, in particular through its Small and Medium-Sized Enterprises Window, will significantly contribute to the objectives of programme. Relevant points of the new programme include:</p> <ul style="list-style-type: none"> • a stronger focus on market surveillance; • more details on how to support small and medium-sized enterprises (with specific references to the tourism sector and the Social Economy) and how to protect the interests of consumers. <p>The programme is expected to be adopted in the first half of 2021.</p>	
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TECHNICAL SUPPORT INSTRUMENT (TSI)	
<p>The Technical Support Instrument (TSI) will support economic recovery after and beyond the COVID-19 pandemic by promoting economic, social and territorial cohesion as well as digital and green transitions including biodiversity and implementation of climate targets. The reforms supported by the instrument should effectively address the challenges identified in the adopted country-specific recommendations.</p> <p>The TSI will assist national authorities in preparing, amending, implementing and revising their national plans. In order to receive technical support, such as expertise related to policy change or to prepare strategies and reform roadmaps, a member state has to submit a request to the Commission by 31 October, outlining the policy areas it will focus on.</p>	864 million EUR

URBACT IV

[Urbact IV](#) will promote exchange of experiences, innovative approaches and capacity building in relation to the identification, transfer and capitalisation of urban good practices on integrated and sustainable urban development, taking into account the linkages between urban and rural areas, supporting actions developed in the framework of European Urban Initiative and cohesion policy and while also contributing to the mainstreaming of the key principles of good governance of the new Leipzig Charter.

Urbact IV continue to support cities in its established activities, including:

- Networking activities combining capacity building & knowledge sharing
- Open to all cities
- Bottom up thematic approach and balance between more/less developed regions
- Dedicated expert and capacity building support
- Urban Knowledge sharing - linking 'from the ground' and higher policy levels.

Notable changes compared to the URBACT III include:

- Enhanced involvement of small and middle size cities
- Networks with enhanced support for testing solutions and with improved transfer methodology
- Specific Transfer Mechanism for Urban Innovative Actions
- More focus on 'green' and 'digital' priorities, as well as governance challenges such as gender
- Knowledge broker & producer in partnership with EUI to impact EU policy level
- Strengthened links through National Points with Cohesion Policy for more impact

MFF 2021-2027:

N.A.

(Budget for URBACT III was ca. EUR 95 million)

(Financed confirmed under INTERREG Cooperation)

URBIS



[URBIS](#) is an advisory service launched by the European Commission and European Investment Bank to help cities plan investments. It helps local authorities design, plan and implement their investment strategies and projects, with tailor-made technical and financial advice, also on innovative financing options. The objective is to see solid projects get off the ground in the short to medium-term, for example in the field of urban climate actions.

REACT-EU



[REACT-EU](#) stands for Recovery Assistance for Cohesion and the Territories of Europe. It continues and extends the crisis response and crisis repair measures delivered through the Coronavirus Response Investment Initiative (CRII) and the Coronavirus Response Investment Initiative Plus (CRII+). It will contribute to a green, digital and resilient recovery of the economy. REACT-EU will provide additional funding for the most important sectors for a sound and sustainable recovery. This will involve investments to:

- support job maintenance, including through short-time work schemes and support for the self-employed; support job creation and youth employment measures,
- health care systems and
- the provision of working capital and investment support for small and medium-sized enterprises.

A specific allocation method will be used to distribute the REACT-EU funds between Member States. Eligible expenses as of 1 February 2020, with projects selected for support up to the end of 2023. The resources will be made available through the EU Structural Funds, with €37.5 billion allocated for 2021 and €10 billion for 2022. Resources will be allocated in accordance with the partnership principle, involving local and regional authorities, as well as relevant bodies representing civil society and social partners.

€47,5 billion