European Funding for Eco tourism, how to apply successfully for EU funding?
EU Global Budget 2007-2013: EUR 862.4 billion

EU Direct Funding (22%)
Managed by the European Commission

- Competitiveness for growth and employment
- Preservation and management of natural resources
- Citizenship

EU Indirect funding (76%)
Managed by the European Commission and the Member States

- Cohesion for growth and employment
- Preservation and management of natural resources

7th Research Framework Programme, CIP, Marco Polo II, Life+
ESF, ERDF, Cohesion Fund
EU Indirect Funding: Structural Funds

- Structural funds are EU money allocated, managed and spent at national level.

- Therefore, priorities and application procedures are determined by national bodies (Ministries in first place).

- The documents detailing the priorities for spending Structural Funds are called “Operational Programmes”.

- Each sector of intervention has its own “Operational Programme”.

- Some regions have access to a larger proportion of Structural Funds, on the basis of their economic characteristics.

- For these reasons, the availability and requirements of Structural Funds vary depending on the Country and Regions.

- The Structural Funds complement but do not replace national efforts. They should not replace public or other equivalent structural expenditure by Member State (Principle of additionality).
## EU Indirect Funding: Objectives and instruments 2007-2013

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<th>Objectives</th>
<th>Structural Funds and instruments</th>
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<td>1. Convergence (81,5%)</td>
<td>ERDF</td>
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<td>2. Regional Competitiveness and Employment (16%)</td>
<td>ESF</td>
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<td>3. European territorial Cooperation (2,5%)</td>
<td>Cohesion Fund</td>
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<td>Infrastructure, Innovation, Investments, SMEs, local development TA, etc.</td>
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<td>Vocational training, Employment Aids etc.</td>
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<td>ALL MS and REGIONS</td>
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<td>1. Regions whose development is lagging behind (per capita gross domestic product (GDP) is less than 75% of the Community average) 2. Territory outside 1.</td>
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<td>Member States With a GNI/head below 90%</td>
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EU indirect funding: EU structural funds Bulgaria

- **Four strategic objectives and priorities**
  - Improving basic infrastructure
  - Increasing the quality of human capital with a focus on employment
  - Fostering entrepreneurship, a favourable business environment and good governance
  - Support balanced territorial development

- **For the 2007-13 period, € 6.853 billion has been allocated**
  - € 179 million under the European Territorial Cooperation objective
  - € 6.674 million under the Convergence objective

- To complement the EU investment under the National Strategic Reference Framework, Bulgaria’s contribution would amount to at least €1.345 million at current prices.
**Priority axes (5):**

1. Sustainable and integrated urban development
2. Regional and Local Accessibility
3. **Sustainable Tourism Development**
4. Local Development and Cooperation
5. Technical Assistance
Total budget (2007-2013): € 218 million for Priority Axis 3 Sustainable Tourism Development

Eligible operations

Operation 1. Enhancement of Tourism Attractions and Related Infrastructure

- Geographical coverage: all municipalities with population above 10,000 inhabitants
- Cultural monuments
- Not eligible: municipalities with overdeveloped mass tourism areas (Black sea coast, biggest ski resorts, the capital Sofia and Plovdiv- South-central region)
Operation objective

- Develop integrated and distinctive tourism products: focus on developing tourist attractions (improve, renovate and expand natural and cultural heritage sites)

Eligible indicative activities

- Development of nature, cultural and historic attractions
- Development of tourism related infrastructure (for the use of attractions)
- Reconstruction and renovation/upgrading of publicly owned mountain chalets
- Complementary small scale technical infrastructure
- Complementary training of staff
- Complementary small scale non-infrastructure activities
Key project selection criteria

- Economic development impact and contribution to income generation for the regions
- Contribution to jobs creation in tourism sector
- Partnership and regional approach
- Contribution to product diversification
- Contribution to off-season offers, reducing seasonality
- Environmental sustainability (protection and enhancement of the environment)
- Compliance with national legislation in the field of tourism development, cultural heritage and environmental protection
Operational Programme “Regional Development” – (ERDF)
Sustainable Tourism Development

- **Direct Beneficiaries:**
  - Associations of municipalities, Ministry of Culture, local regional and national tourism associations, public bodies managing cultural monuments of national and world importance, State Tourism Agency

- **Complementarity with other plans and programmes:**
  - OP “Competitiveness” for all sectors (incl. tourism); OP “Human Resources Development” ;OP “Transport”; Rural Development Programme (EAFRD); OP “Environment”; CBC Programmes.
Operation 2. Regional Tourism product development and marketing of destinations

- **Operation objective:** increase the number of visitors and visitor days; improve seasonal and territorial distribution of tourism development in different regions and areas.

- **Operation rationale:** focus on destination’s marketing and encourage exclusively “soft” activities.

- **Eligible indicative activities:**
  - Activities facilitating regional product development and market intelligence, marketing and promotion strategies and programmes;
  - Promotion activities;
  - Organisation of events of regional and national scope and impact;
  - Implementation of modern technology

- **Beneficiaries:** regional, national or local tourism associations, municipalities, associations of municipalities, Ministry of Culture.
Operation 3. National Tourist Marketing

- **Operation objective**: enhance the effectiveness and impacts of national marketing efforts and related activities; diversification of tourist products and sustainable tourism development.

- **Main goal**: promotion of tourist products

- **Eligible indicative activities**:
  - Preparation of mid and long term national strategies for tourism development
  - Promotional activities
  - Public awareness activities
  - Development and introduction of environmental standards for tourist services

- **Direct beneficiary**: State Tourism Agency (specific beneficiary)
Main present opportunities for Direct and Indirect Beneficiaries

Calls for proposals: Priority Axis 3: Sustainable Tourism Development

- Priority Operation 1: Enhancement of Tourism Attractions and Related Infrastructure

  - Ref nr 15: **Support for the development of nature, cultural and historic attractions**
  - objective: rehabilitation, refurbishment of nature, culture and historic attractions within 148 municipalities

- **Date of publication:** May 2008

- **Max % of public co-financing:** 100%

- **Max. amount of the grant in euro:** 141,215,621

- **Eligible beneficiaries:** 148 municipalities, local, regional and national tourism associations, registered in the National Tourism Register, public bodies, managing cultural monuments
Main present opportunities for Direct and Indirect Beneficiaries

Calls for proposals: Priority Axis 3: Sustainable Tourism Development

- **Operation 2: Regional Tourism Product Development and Marketing of Destinations**
  - Ref nr 17: **Support for facilitation of regional product development and market intelligence** > regional tourist product development
  - **Date of publication:** September 2008
  - **Max % of public co-financing:** 100%
  - **Max. amount of the grant in euro:** 29 524 425
  - **Eligible beneficiaries:** 264 municipalities, local, regional and national tourism associations
The European Budget for 2007 – 2013

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E.g.: ESF, ERDF, Cohesion Fund
EUROPEAN PROGRAMMES 2007-2013
### CIP-EIE
*Intelligent Energy Europe*

- **Objectives:** Contributing to secure, sustainable and competitively priced energy for Europe.
- **Activities funded:**
  1) SAVE-Energy Efficiency and rational energy use; 2) ALTENER-New and renewable energy sources; 3) STEER-Energy in transport; 4) Integrated Initiatives.
- **EU contribution:** up to 50%
- **Beneficiaries:** public and private beneficiaries.

### CIP-PSP
*Information Communication Technology Policy support Programme*

- **Objectives:** Stimulating innovation and competitiveness through the wider uptake and best use of ICT by citizens, governments and businesses.
- **Activities funded:**
  1) European information space; 2) European internal market for ICT; 3) Innovation through ICT investments; 4) Inclusive information society; 5) Improving of life’s quality.
- **EU contribution:** up to 50%
- **Beneficiaries:** enterprises, particularly SMEs.

### CIP-EIP
*Entrepreneurship and Innovation programme*

- **Objectives:** Supporting innovation and SME’s in EU.
- **Activities funded:**
  1) Access to finance for SME; 2) Business and innovation support services; 3) Promotion of entrepreneurship and innovation; 4) Support for eco-innovation; 5) Support for policy-making encouraging entrepreneurship and innovation.
- **EU contribution:** up to 60%
- **Beneficiaries:** enterprises, particularly SMEs.
**Objectives:** To contribute to the implementation, updating and development of Community environmental policies and legislation. Life+ aims at co-funding actions in the field of nature conservation as well as in other fields of the environment that are of European interest.

**Activities funded:** 1) Nature & Biodiversity; 2) Environmental Policy & Governance; 3) Information & Communication.

**EU contribution:** up to 50%

**Beneficiaries:** (1) public authorities, (2) other public bodies, (3) private commercial organisations and (4) private non-commercial organisations (including NGOs).
European Programmes: 3/5

FP7 Research & Development

- **Objectives:** The Seventh Framework Programme for research and technological development (FP7) is the European Union’s main instrument for funding research in Europe.

- **Actions: -1) COOPERATION:** a) Health, b) Food, Agriculture & Biotechnology; c) Information & Communication Technologies; d) Nanosciences, Nanotechnologies, Materials & new Production Technologies; e) Energy; f) Transport; g) Socio-Economic Sciences & the Humanities; h) Security & Space. **-2) IDEAS:** European Research Council. **-3) PEOPLE:** Marie Curie Actions. **-4) CAPACITIES:** Research Infrastructures, Research for SME’s, Regions of knowledge.

- **EU contribution:** 75-100%

- **Beneficiaries:** (1) private companies (small and medium sized enterprises, private research institutes or other industrial participants); (2) public organizations (public universities, regional authorities, public research organizations); (3) individual researchers (from both the public and private sectors).
European Programmes: 4/5

**MARCO POLO II**

- **Objectives:** Marco Polo is the European Union’s funding programme for projects which shift freight transport from the road to sea, rail and inland waterways.
- **Activities funded:** 1) Modal shift actions; 2) Catalyst actions; 3) Traffic avoidance actions; 4) Motorways of the seas; 5) Common learning actions.
- **EU contribution:** up to 50%
- **Beneficiaries:** Commercial undertakings (but possibly owned by public administrations) from the EU, Norway, Iceland and Liechtenstein

**TEN-E**

*Trans-European Energy Networks*

- **Objectives:** Promoting the interconnection, interoperability and development of trans-European energy networks and access to such networks.
- **Activities funded:** 1) electricity networks; 2) gas networks (transporting natural gas or olefin gases).
- **EU contribution:** up to 50%
- **Beneficiaries:** Electricity and gas transmission companies, investors in LNG facilities and gas storages. Projects need to be supported by the Member States involved.
European Programmes: 5/5

**e-Content Plus**

- **Objectives:** Making digital content in Europe more accessible, usable and exploitable.
- **Activities funded:** 1) Geographic information; 2) Educational content; 3) Digital Libraries.
- **EU contribution:** up to 80%
- **Beneficiaries:** (1) content providers, i.e. public and private organizations and institutions; (2) content users, including European citizens, students, researchers but also organizations and enterprises.

**Safer Internet Plus**

- **Objectives:** Promoting a safer use of internet and other online technologies, particularly by children, and fight illegal and harmful content ranging from children abuse images to racism.
- **Activities funded:** 1) Fighting against illegal content; 2) Tackling unwanted and harmful content; 3) Promoting a safer environment; 4) Awareness-raising.
- **EU contribution:** 50-100%
- **Beneficiaries:** Legal entities established in 27 EU.
EU Grants & Incentives: General Conditions

Applications for benefits should ideally be submitted before costs are incurred and/or before the project has been initiated.

Therefore only costs within the project period as mentioned in the application are eligible.

Eligible project periods usually run 1-5 years.

Eligible costs – depending on the program – are:
- Time involved of human resources
- Materials
- Capital Expenditures (f.e. machinery, installations and equipment)
- Patents
- Travel
- Third party experts
- Anything related to commercial activities is not supported

Inside the EU there is a general rule that no more than 50% of a project will be supported in order to avoid state aid limitations.

Incentives percentages vary greatly depending on the program and activity.
How to successfully apply for grant opportunities?

- EU Grants & Incentives: General Conditions

- Who can request a grant?

  The grant beneficiaries are mainly private or public organisations, and exceptionally individuals, chosen by the European Commission for their capacity to implement the projects concerned.

  Since grants cover a very diverse range of fields, the specific conditions that need to be fulfilled vary from one field to another. It is therefore important to consult carefully the rules of each grant programme. However, some basic principles apply in every case.

  Grants:
  - are a form of **complementary financing (co-funding!)**. The EU does not finance projects up to 100%; only projects taking place outside the European Union have the possibility to be financed in full;
  - enable a given operation to break even financially and cannot lead to a profit for their beneficiaries;
  - **cannot be awarded retroactively** for actions that are already completed.

- In addition, only one grant may be awarded for the same action.
How to successfully apply for grant opportunities?

EU Grants & Incentives: General Conditions

Grants are not awarded on a case-by-case basis. Instead, they are subject to annual programming > publication of annual work programme on their Internet site. The work programme fixes the broad outlines of the grants that are envisaged over the year (area of activity, objectives, timetable, available budget, award conditions, etc…).

Publication of calls for proposals on Internet sites; the calls for proposals invite candidates to present, within a given deadline, a proposal for action that corresponds to the objectives pursued and fulfils the required conditions.

All applications are examined and evaluated on the basis of criteria that have clearly been announced in the calls for proposals, while ensuring equal treatment; candidates are individually informed of the final decision concerning their proposal.

If the results is positive you are entitled to get money, but.....when will you receive the money?
How to successfully apply for grant opportunities?

- **When will I receive the money? What are the obligations of the beneficiary?**

  Generally, the EU Funds reimburse eligible expenditures *already paid* by the beneficiaries in implementing operations/projects. The expenditure paid by beneficiaries shall be supported by receipt invoices or accounting documents of equivalent probative value.

- **Payments shall take the form of:**
  - **Pre-payment:** a maximum % (20-30%), payment following to a request for advance payment supported by a bank guarantee
  
  - **Interim payments:** payments shall be made following to an application for payment and a statement of expenditure certified. The interim payment has to be related to expenditures already paid by beneficiaries in implementing the concerned operations (supported by receipted invoices or accounting documents). Interim Reports: expenditures, report project changes and progress for limited period (e.g. 6 months)

  - **Final payment:** the MA or IB shall pay the final balance provided that the Beneficiary has sent a payment application supported by a final report: total expenditures, final report on project over the entire project period

  - **Audit and Final Settlement**
Methodology

Project Management

Opportunity Evaluation

Cost/Benefit Analysis

Strategy Development & Design

Implementation

Maintenance & Monitoring

Identify Options

Size the Incentives Offers

Negotiate & Receive Commitments

Receive Incentives

Retain Incentives

Relationship Management

Knowledge Management
How to prepare an application?
Specific Projects – Helpful Information

- Aim – what is the aim of the project?
- Implementation – how will you achieve implementation?
- Time schedule – how long? a long-term (year/s) or a short-term (months) project?
- Budget – what is the total cost of the project?
- Partners – do partners exist with whom the client will co-operate?
- Geography – where will the project be implemented?

The better specification of the project, the easier to find a suitable programme!
How to prepare an application? What does your project have?

✓ Do you have partners?
✓ Is it innovative? “Status of Arts”
✓ Does it include research?
✓ Time schedule?
✓ Maximum budget?
✓ Where is the project to be performed?
✓ Regional development/European impact?
✓ Environmental impact?
✓ Creation of new jobs?
How to prepare an application? What does your project have?

- Who is the beneficiary?

  - as direct Beneficiaries, receiving public aid directly by the Body responsible for payments (for example the Bulgarian enterprises could be grant recipient directly)

  - as indirect beneficiary: contractor/supplier/consultant for work, supply or service activities awarded - according to the national public procurement rules - by a direct Beneficiary (i.e. Municipality) whose project has been already approved by MA or IB within the Operational Programme

- How will you finance your project?

- Co-funding?