European
Commission

A guide to

EU funding

2017 edition

Budget

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Foreword

In response to the evolution of the world economy and its impact on Europe, the European Commission proposed a set of programmes to boost jobs, growth and investment across the European Union. The programmes are part of the multiannual financial framework 2014-2020.

This publication guides you through these programmes and the funding opportunities they offer are briefly described here in this booklet. Detailed information is available on the European Commission's website (¹).

EU funding opportunities prove the added value of the EU budget in a number of fields, from research, employment, regional development and cooperation to education, culture, environment, humanitarian aid and energy, among many others.

Significant support is available to small and medium-sized businesses, non-governmental and civil society non-profit organisations, young people, researchers, farmers and public bodies, to name a few.

I hope this guide will help you get the basics on how to apply and get EU funding for your project. I do believe that this will be the first step in making your project idea a success to confirm that the EU budget delivers concrete results and serves the needs of European citizens.

Günther H. Oettinger
European Commissioner for Budget and Human Resources

(¹)   https://ec.europa.eu/info/funding-tenders_en

Introduction

This guide addresses any potential EU funding beneficiaries and covers:

- how EU funding works
- EU funding management modes
- types of funding
- eligibility for funding
- EU funding rules and principles.

The guide is intended to familiarise the readers with the EU funding field. More detailed information is available on the European Commission website, in the section **Funding, Tenders** ([1]).

([1])   http://europa.eu/!dw86by

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How EU funding works

1. Find a funding opportunity

To get funding for your project, you will need to identify a relevant call for proposals or projects ([1]) and carefully follow the specific guidelines on how to apply. Your project will compete for funding with projects submitted by other applicants. The funding is a direct financial contribution provided by the European Commission in support of projects or organisations which contribute to the implementation of an EU programme or policy.

This guide mainly targets six groups of potential applicants: small and medium-sized enterprises (SMEs), non-governmental organisations (NGOs), young people, researchers, farmers and public bodies. However, it may also be a valuable information source for other applicants.

2. Find a partner

Most EU-funded projects are collaborative projects with organisations from different EU countries or associated countries. Finding a partner can be done through a number of partner search services ([2]).

([1])   http://europa.eu/!xD89rr
([2])   http://europa.eu/!xT83RQ

3. Application process

Prepare your proposal by following the guidelines, criteria and requirements set out by the call you apply for.

4. Eligibility and admissibility

A proposal has to follow the eligibility and admissibility criteria ([1]) set out in the call for proposals guidelines.

5. Evaluation

Each project proposal is evaluated and analysed before a request for funding is granted.

6. Signing an agreement and receiving a grant

If your project proposal is accepted for funding, then the next stage is to sign a grant agreement.

7. Managing a project

There are various steps and actions to take when you are awarded with a grant. Once a grant agreement has been made, the project has to be carefully managed until completion. Nevertheless the European Commission can guide you through this with templates and deadlines to follow during the project duration.

([1])   http://europa.eu/!Gr98nn

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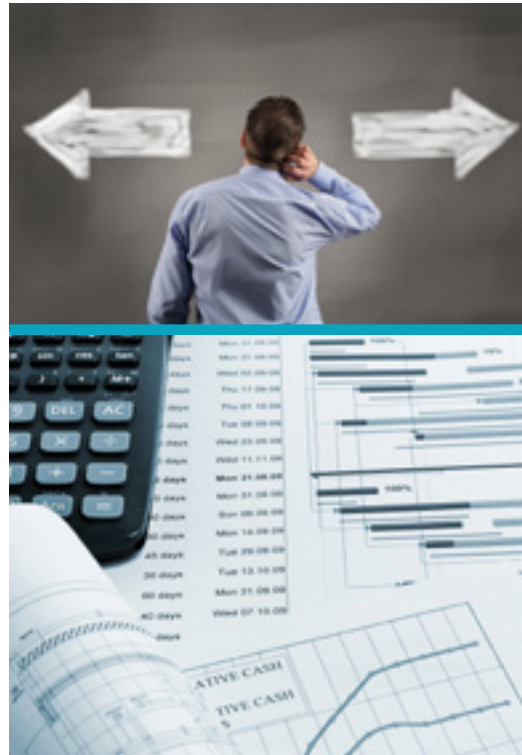
EU funding management modes

There are three EU funding management modes:

1. Direct management

The European Commission manages the budget when the projects are carried out by its departments, at its headquarters, in the EU delegations or through EU executive agencies. The management includes awarding grants, transferring funds, monitoring activities, selecting contractors, etc. A list of open calls for proposals, grouped by area, is available online ([1]).

2. Indirect management

Funding programmes are indirectly managed when they are carried out by non-EU countries, international organisations, development agencies and other bodies. The funding opportunities under indirect management are published by these managing bodies.

([1])   http://europa.eu/!Xb93hT

3. Shared management

The European Commission delegates the management of certain programmes to EU countries under shared management agreements. In collaboration with the European Commission, each country prepares an agreement, setting out how the funds will be used during a funding period, normally covered by a multiannual financial framework. The current framework runs from 2014 to 2020.

EU countries assign the management of EU funding mainly to managing authorities such as ministries and other public bodies. These institutions are responsible for organising and publishing calls for proposals or tender procedures.

In practice some 80 % of EU funding is managed under shared management.

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Types of funding

There are different types of funding opportunities, such as grants, loans, guarantees, subsidies and prizes.

1. Grants

A grant is funding for projects contributing to EU policies. Grants may be awarded in different fields, from research or education to humanitarian aid. Grants are awarded to private and public organisations, and exceptionally to individuals.

Grants are a form of complementary financing. The EU usually does not finance projects up to 100 %. In other words, the project will be co-financed by the beneficiary organisation. Therefore when beneficiary organisations carry out projects with a grant, they partially finance their project. Examples of EU-funded projects are available on the **EU Results** website ([1]).

Grants are mainly awarded through calls for proposals. The European Commission uses calls for proposals to advertise funding opportunities and explain how to apply for them. Another way of accessing funding is through prizes.

([1])   http://europa.eu/!Jr89wR

2. Loans, guarantees and equity

The EU provides loans, guarantees and equity as forms of assistance, in relation to EU policy and programmes ([1]). The financing goes through local financial institutions ([2]). These institutions — banks, guarantee societies or equity investors — determine the exact financing conditions: the amount, duration, interest rates and fees.

For example, the EU provides loans to beneficiaries for investment in research and innovation. Or it provides guarantees to beneficiaries so that they can obtain loans more easily or at better conditions from banks and other credit institutions ([3]). The EU may also financially participate in a project by owning parts of it.

3. Subsidies

Subsidies and other types of funding are managed directly by EU national governments, not by the European Commission. For instance, agricultural subsidies are awarded to support farmers.

4. Prizes

Prizes are rewards to winners of contests from Horizon 2020 ([4]). They are also called challenge prizes or inducement prizes.

([1])   http://europa.eu/!jK88mD

([2])   http://europa.eu/!yf78wK

([3])   http://europa.eu/!Xj98pu

([4])   http://europa.eu/!hm44Hr

4 Public contracts

Public contracts are not a part of funding. Instead the European Commission purchases service, works or goods from the public for internal use. Some examples of public contracts are: conducting studies, providing technical assistance, training, conference organisation and consultancy. The service providers of public contracts are selected via calls for tenders issued by the Commission departments [1], offices and agencies in Europe.

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[1]   http://europa.eu/!kp86Vk

Who is eligible for funding?

EU funding is open to citizens, organisations, enterprises, local and regional bodies, and governments. Basically there are six profiles of potential beneficiaries. Eligibility criteria are applied for each funding programme, and more detailed criteria are outlined at the level of the individual call [1].

1. Small and medium-sized enterprises

Small and medium-sized enterprises (SMEs) can get EU funding [2] in the form of grants, loans and, in some cases, guarantees. They can also bid for contracts to provide various goods or services.

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[1]   http://europa.eu/!BF97tR

[2]   http://europa.eu/!Ty76Ug

2. Non-profit or non-governmental organisations

A non-profit or non-governmental organisation (NGO) may be eligible for EU funding through a number of different programmes if the NGO's activities directly support a number of EU policies [1]. Each country provides detailed information about funding and application procedures on the websites of the managing authorities. NGO funding is also managed by the Commission or other EU bodies [2].

3. Young people

Young people are among those eligible for funding under a number of different EU funding programmes [3], including Erasmus+ and the European Social Fund. Generally speaking, these programmes [4] are open to young people (age 13-31), youth organisations and other stakeholders active in the field of youth. However, specific criteria can be found in the individual funding calls.

The **Youth Employment Initiative** [5] supports young people not in education, employment or training, in certain EU regions. The initiative complements other projects undertaken at national level, including those under the European Social Fund [6] (ESF).

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[1]   http://europa.eu/!gv98CD

[2]   http://europa.eu/!PC78nU

[3]   http://europa.eu/!WY83kT

[4]   http://europa.eu/!mx66qx

[5]   http://europa.eu/!mD66kY

[6]   http://europa.eu/!nP36uT

The managing authorities (¹) in each EU country can provide more details on both the Youth Employment Initiative and Youth Guarantee.

4. Researchers

Research and innovation are very important to the European Union's long-term **Jobs, Growth and Investment** strategy. That is why special programmes and other sources of support are available

for researchers across Europe and beyond. They can apply for a number of different EU funding opportunities (²), most notably through Horizon 2020, the EU's biggest research and innovation programme.

5. Farmers

Funding is available for farmers through a number of different EU programmes, most notably the common agricultural policy (³) (CAP). Direct payments are granted to farmers under certain European Agricultural Guarantee Fund (EAGF) support schemes.

Funding is also available from the European Agricultural Fund for Rural Development (EAFRD) and national/regional and sometimes private sources.

Each EU country establishes the conditions for support in individual operational programmes and is responsible for managing the funds on its own territory.

(¹)   http://europa.eu/!VV73Dx

(²)   http://europa.eu/!Gw64Qg

(³)   http://europa.eu/!VW36Dk

6. Public bodies

Public bodies can benefit from a number of EU funding opportunities (¹), from investments to develop institutional capacity and efficiency to local infrastructure projects (²).

The Cohesion policy (³) (or regional policy) supports economic, social and territorial cohesion in regions that qualify for funding.

7. Other beneficiaries

There are EU funding opportunities for beneficiaries other than the six specified profiles. For example, the funding opportunities are available in the context of accession to the European Union and the economic crisis (⁴). Other opportunities include funding support on asylum, migration, integration, security research, borders and drug policy initiatives (⁵).

(¹)   http://europa.eu/!xr79qY

(²)   http://europa.eu/!wd86Qu

(³)   http://europa.eu/!mx66qx

(⁴)   http://europa.eu/!hq36Qr

(⁵)   http://europa.eu/!Td68VW

Rules and principles

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The rules and principles (¹) ensure that everyone has equal access to EU funding. Transparency and accountability tools are implemented to counter-check that EU funds are spent properly.

(¹)   http://europa.eu/!wp74Th

7 Transparent procedures for all

All applicants benefit from the principles of transparency and equal treatment as stated in the EU's **Financial Regulation and its Rules of Application** [1]. This is the case whether they apply for a grant managed by the European Commission, or by a managing authority, or take part in a call for tender.

Transparent procedures also mean equal access to information. Calls for proposals are published on the European Commission's website. The same principle applies to EU funds managed at the national or regional level.

The Commission's calls for tender are published on the websites [2] of its various directorates-general. They are also published in the Supplement to the *Official Journal of the European Union* and its online format, the TED database [3].

Information about the beneficiaries of EU funding under 'Direct management' is public. The names of beneficiaries and the amounts they receive are published on the Financial Transparency System (FTS) website.

For funding managed by EU countries, publication of the names of beneficiary organisations is also mandatory. This includes funding provided under the common agricultural policy, maritime and fisheries policy and the structural and investment funds. EU countries publish this information on their national websites [4].

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[1]   http://europa.eu/!bM69BQ

[2]   http://europa.eu/!dw86by

[3]   http://europa.eu/!kR73Yb

[4]   http://europa.eu/!uT87KC

Getting in touch with the EU

ONLINE
Information in all the official languages of the European Union is available on the Europa website:
www.europa.eu

IN PERSON
All over Europe there are hundreds of local EU information centres. You can find the address of the centre nearest to you at:
www.europedirect.europa.eu

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Europe Direct is a service which answers your questions about the European Union. You can contact this service by freephone: **00 800 6 7 8 9 10 11** (certain mobile telephone operators do not allow access to 00800 numbers or may charge for these calls), or by payphone from outside the EU: **+32 22999696**, or by e-mail via **www.europedirect.europa.eu**

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