EUROPEAN UNION

Committee of the Regions

Sustainable and competitive tourism – New funding opportunities for local and regional authorities

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Summary

This research paper focuses on funding opportunities for tourism available to local and regional authorities (LRAs) in the new programming period 2014-2020. Funding strands through the EU Multi-Annual Financial Framework (MFF) 2014-2020 as well as outside the EU budget are considered.

The European Structural and Investment Funds (ESIF) are the key investment drivers at the EU level, providing EU financing to Operational Programmes (OPs). Several OPs, including those related to territorial co-operation, are still in preparation. According to the Common Provisions Regulation (CPR), the full process of submission by Member States (MS) and approval by the European Commission (EC) will be completed in early 2015. OPs should define the measures that will be eligible for funding, in line with fund-specific investment priorities and thematic objectives addressing the Europe 2020 strategy. Within each MS, national and regional authorities will be directly involved in handling the ESIF and are thus expected to be familiar with the provisions made in the respective OPs. This research is intended to add value to country-specific knowledge by sharing the thematic overview of available funding sources for tourism with other relevant stakeholders at the territorial level, and by describing complementary opportunities within territorial co-operation, other ESIF-related initiatives, and financial instruments. Further, the paper describes initiatives within the funds that are implemented by the EC through direct management and thus represent opportunities for tourism financing that are not included in the planning processes at national or regional level.

In addition to these initiatives, the paper explores opportunities for funding tourism initiatives outside the ESIF, focusing on the 2014-2020 EU programmes, namely: COSME, EaSi, Europe for citizens, LIFE+, Creative Europe, Erasmus+ and Horizon 2020. Few references to main awards and prizes are included, as they often represent, if not a monetary reward, a great source of visibility and publicity for destinations or tourism structures, such as museums.

Finally, the paper outlines simple but important rules of thumb for increasing chances of success while approaching financing.

1.Introduction

The reformed Structural Funds, called the European Structural and Investment Funds (ESIF), are the key investment drivers at the EU level. Common provisions and a Common Strategic Framework apply to these funds, which include: CF, EAFRD, EMFF, ERDF, and ESF. In general in the new programming period, support is given to thematic objectives, as opposed to sectors.[1] These objectives are translated into fund-specific investment priorities. Tourism-related investments are explicitly mentioned under the EMFF (angling tourism[2]), the EAFRD (tourist information, small-scale tourism infrastructure, co-operation for tourism services related to rural tourism), and the ERDF (small-scale cultural and sustainable tourism infrastructure). Nonetheless, tourism can be considered for support under any of the ESIF provided that related investments **contribute** to the priorities of the funds.

Funding strands available through the EU MFF 2014-2020 (notably those directly or indirectly related to the ESIF) as well as outside the EU budget are considered. For each strand the following are provided: size and type of funds, to the extent that the information is publicly available; a brief description of the strand, including information on which activities/projects are eligible for funding; eligibility criteria for LRAs, if applicable[3]; and links to useful information about the strand, for example current calls for proposal or dedicated websites.

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[1] There are 11 thematic objectives addressing Europe 2020 strategy for Smart, Sustainable and Inclusive Growth: 1) Research & innovation; 2) Information and communication technologies; 3) Competitiveness of small and medium enterprises; 4) Shift towards a low-carbon economy; 5) Climate change adaptation & risk prevention and management; 6) Environmental protection & resource efficiency; 7) Sustainable transport & removing bottlenecks in key network infrastructures; 8) Employment & supporting labour mobility; 9) Social inclusion & combating poverty; 10) Education, skills & lifelong learning; and 11) Institutional capacity building & efficient public administrations.

[2] However, specifically concerning a financial strand that is not eligible for LRAs.

[3] If relevant, specific reference will be made to the three categories of regions defined in the Cohesion Policy 2014-2020, namely: less developed regions (GDP/capita below 75% of the EU average), transition regions (GDP/capita between 75% and 90% of the EU average) and more developed regions (GDP/capita above 90% of the EU average).

2.Funding opportunities for tourism

2.1 Measures and initiatives within the framework of ESIF

The use of ESIF is governed by Partnership Agreements (PAs) signed by the EC and the MS. ESIF provide EU financing to Operational Programmes (OPs). The OPs describe how the thematic objectives and fund-specific priorities will be addressed by means of measures. MS draw up the OPs in partnership with LRAs and other stakeholders. The Common Provisions Regulation (CPR) specifies that each MS shall submit its PA to the Commission within 4 months from its entry into force (Art. 14(4) CPR), i.e. by 22 April 2014. The Commission's observations are due within 3 months of the PA submission; the adoption of the Agreement is due no later than 4 months from its submission '*provided that any observations made by the Commission have been adequately taken into account*' (Art. 16(2) CPR).[4] In practice, it is expected that PAs will be adopted by the end of August 2014 at the latest. Within 3 months of the submission of its PA, each MS must submit its OP to the Commission (Art. 26(4) CPR); the adoption of OPs by the EC is due within 6 months, i.e by the end of January 2015. However, delays in the entering into force of fund-specific Regulations may delay the approval process of the corresponding OPs.

The description of the funds in this section outlines potential tourism-related initiatives that may be implemented along the thematic objectives addressed by the funds, and in line with the investment priorities of the funds. In addition, the section highlights relevant initiatives within the funds that are implemented by the EC through direct management as they represent funding opportunities not included in the planning processes at national or regional level.

A total of EUR 351.8 billion in current prices are available through the ESIF, in the form of co-financed grants.

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[4] REGULATION (EU) No 1303/2013.

Cohesion Fund – CF

Size of funds: Some EUR 63.4 billion (current prices) for the period 2014-2020, including EUR 10 billion allocated to the support of transport infrastructure projects of European added value under the Connecting Europe Facility. The maximum co-financing rate is 85%.

Description: The fund supports environment-related investments, TEN-T and technical assistance. Tourism-related initiatives by LRAs may be funded under the thematic objective '*preserving and protecting the environment and promoting resource efficiency*', with priority given to investments in: urban environment improvements; low-carbon and intermodal transport systems; regeneration of city areas (revitalising cities); the upgrade (decontamination and land-use change) of brownfield sites (including conversion areas); air pollution and noise reduction; biodiversity and soil protection and restoration; and the promotion of ecosystem services and green infrastructure. Finally, LRAs may seek institutional capacity support under the thematic objective '*enhancing institutional capacity of public authorities and stakeholders and efficient public administration*'.

Eligibility: All LRAs are eligible for funding.

Links to more detailed info: Total EU allocations of Cohesion Policy 2014-2020 by MS and type of region are available here.

European Agricultural Fund for Rural Development – EAFRD

Size of funds: A total of EUR 84.9 billion (current prices) for the period 2014-2020. In general, each rural development programme will establish a single EAFRD contribution rate.

Description: EAFRD focuses on improving the competitiveness of the agricultural sector, promoting the sustainable management of natural resources and the environment in general, including climate action, as well as on supporting balanced approaches to the territorial development of rural economies and communities. It includes numerous measures addressing the six EU priorities for rural development.[5] Tourism-related investments are specifically mentioned under Art. 20 (1)e ('basic services' measure) and Art.35 (2)c (co-operation measure). In general, the following initiatives are, among other actions, eligible for funding:

- '*Knowledge transfer and information actions*': this measure provides funding for vocational training and skills acquisition actions (training courses, workshops and coaching), demonstration activities and information actions. Supported actions may also include farm and forest visits as well as the development of skills and capacities in agri-tourism for those engaged in the agricultural, food and forestry sector, land managers and SMEs operating in rural areas.
- '*Basic services and village renewal in rural areas*': funding under this measure may be provided to: local development planning for rural areas, including the elaboration of protection and management plans for Natura 2000 sites and other areas of high nature value; small-scale infrastructure of all types, including energy-related infrastructures (with a potential to support tourism-related public services or infrastructure); the development of broadband infrastructures, including the provision of relevant public services, e.g. wi-fi hot-spots, web-based services to local visitors and other public e-

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[5] (1) Knowledge transfer and innovation in agriculture, forestry and rural areas; (2) farm viability and competitiveness; (3) food chain organisation; (4) restoring, preserving and enhancing ecosystems related to agriculture and forestry; (5) resource efficiency and a low-carbon and climate resilient economy in the agriculture, food and forestry sectors; and (6) social inclusion, poverty reduction and economic development in rural areas.

government solutions; establishment of new, or upgrading of existing, local basic services (including related infrastructure) for the rural population, e.g. leisure and culture; public infrastructure for recreational or tourism purposes, including tourist information; and the protection and upgrading of the cultural and natural heritage of rural areas (including villages, rural landscapes and high nature value sites), e.g. elaboration of relevant studies, maintenance and restoration works, actions addressing related socio-economic aspects, environmental awareness actions, etc. Only small-scale infrastructure, as defined by each MS in the OP, is eligible (derogations from this rule may apply for investments in broadband and renewable energy, in the case of rural development programmes, provided that complementarity with support under other EU funds is respected). Consistency of the actions with potentially existing '*plans for the development of municipalities and villages in rural areas and their basic services*' and with relevant local development strategies, should be sought.

- *'Farm and business development'*: this measure may provide funding for: aid for non-agricultural activities in rural areas; and investments in non-agricultural activities such as the construction of an inn to diversify a revenue portfolio.

- *'Co-operation'*: collaboration among different actors in the agricultural and forestry sectors, the food chain, and rural development in general may be supported under this measure for the development and marketing of rural tourism services, the creation of relevant clusters and networks, and the implementation of local development strategies (including those related to rural tourism). Other relevant actions include: the elaboration of studies, plans and strategies (e.g. feasibility studies, business plans, local development strategies other than those involving Local Action Groups - LAGs); the training, networking and recruitment of new network/cluster members (animation); the implementation of specific projects linked with business or other plans or strategies; promotion activities.

- *'LEADER'*: investments should facilitate the implementation of a community-led local development (CLLD) strategy. Tourism-related investments included in local development strategies developed by LAGs may therefore be supported under this measure. Local communities not having implemented LEADER in the previous programming period may seek support for capacity building and small pilot projects not linked with a LAG development strategy. Compared with the 2007-2013 Leader approach, new elements include the possibility to support co-operation projects (including transnational co-operation projects) and to use multiple funds for the implementation of local strategies. CLLD support is compulsory for the EAFRD and optional for the ERDF, the ESF and the EMFF.

Eligibility: Specific eligibility criteria apply to some of the measures: ▸ *Knowledge transfer and information actions*: development agencies and other LRA companies providing training or other knowledge transfer and information actions are eligible for support, provided that they have the appropriate capacities in the form of staff qualification and regular training. ▸ *Farm and business development:* LRA micro- and small-enterprises based in rural areas are eligible for support. ▸ *Co-operation*: only newly formed clusters and networks may benefit from this measure. Co-operation may include actors located in different regions or MS.

Links to more detailed info: European Network for Rural development website; EC website on Agriculture and Rural Development.

European Maritime and Fisheries Fund – EMFF

Size of funds: Some EUR 6.4 billion (current prices) over the period 2014-2020. The budget includes, among other allocations, EUR 192 million as compensation for outermost regions and EUR 647 million for direct management measures by the EU. The latter will be made available in the form of co-financed grants awarded through calls for proposals.

Description: The EMFF is the last of the ESIF to enter into force, following adoption of the relevant regulation by the Parliament and the Council on 16 April 2014 and 6 May 2014, respectively. The overall objective of the fund is to ease the transition towards more sustainable fisheries and to support coastal communities in the diversification of their economies. The fund therefore supports investment into the development of coastal and maritime tourism, pesca-tourism, tourist accommodation in coastal areas as well as coastal and maritime recreation and leisure. The objective is to add value to local fishery products through food festivals, fishery fairs and promotion of local catches within the local tourism network. Likewise, the promotion and creative use of maritime history, culture and heritage may be eligible for support. In addition, aquaculture enterprises can develop angling tourism activities with a view to the diversification of their income portfolio.

Some of the EMFF measures will be directly managed by the EC, in particular to promote integrated governance (through, for example, networks and platforms linking LRAs with representatives of relevant sectors, including tourism), cross-sector initiatives, and initiatives related to the protection of the marine environment, including the Natura 2000 sites. Eligible actions include: studies, projects (including pilot and co-operation projects), public information-related activities, events, the exchange of best practices, and IT development.

Eligibility: Public law bodies are mentioned as being eligible for support with regard to the following measures: advisory services (Art. 27); partnerships between scientists and fishermen (Art. 28); the protection and restoration of marine biodiversity and ecosystems in the framework of sustainable fishing activities (Art. 40); the management, relief and advisory services for aquaculture farms (Art. 49); the increase in the potential of aquaculture sites (Art. 51); and animal health and welfare measures (Art. 56).

Links to more detailed info: EMFF website.

European Regional Development Fund – ERDF

Size of funds: Not explicitly specified, though some EUR 110-120 billion will be available for 2014-2020, considering the total ESIF budget and the allocations to the other funds.Various ceilings to ERDF contribution apply (from 53% to 100%) based on the level of development of each region, the type of measure, the origin of funds, and other conditions determined at the MS level.

Description: ERDF investment priorities address all 11 thematic objectives of the ESIF; a thematic concentration rule applies. Sustainable tourism is specifically mentioned in Recital 11 of the Regulation and Art. 3(1)e. More generally, thematic objectives potentially related to tourism initiatives include:

- *'Preserving and protecting the environment and promoting resource efficiency'*: relevant investments may involve the conservation, protection, promotion and development of natural and cultural heritage; the protection and restoration of biodiversity and soil; the promotion of ecosystem services and green infrastructure; as well as the improvement of the urban environment, including the revitalisation of cities, the regeneration and decontamination of brownfield sites, and the reduction of air pollution and noise.
- *'Promoting sustainable and quality employment and supporting labour mobility'*: eligible actions may focus on improving access to social, cultural and recreational services while creating quality jobs; or on the implementation of a territorial strategy for specific areas such as: the conversion of declining industrial regions into areas accessible by visitors; or the development of natural and cultural resources into tourism assets, e.g. by providing for visitor accessibility and promoting the area's attractions.
- *'Promoting social inclusion, combating poverty and any discrimination'*: relevant investments are foreseen in the context of CLLD strategies.
- *'Promoting sustainable transport and removing bottlenecks in key network infrastructures'*: eligible actions may include the development of local and regional ports, inland and maritime waterways and intermodal connectors, the enhancement of destination's connectivity and the facilitation of tourism flows.
- *'Enhancing access to, and use and quality of, ICT'*: regions dependent on tourism might use this priority to fund data-mining and analysis, create specific applications or improve access to information and e-services (including e-culture).

In line with Article 7 of the ERDF Regulation, tourism-related territorial investments are also eligible for support when promoting sustainable urban development through '*strategies that set out integrated actions to tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, while taking into account the need to promote urban-rural linkages*'.

Eligibility: All LRAs are eligible for funding. The map on Structural Funds (ERDF and ESF) eligibility 2014-2020 is available here.

Links to more detailed info: Regional Policy - Inforegio website: ERDF webpage.

European Social Fund – ESF

Size of funds: More than EUR 80 billion in 2014-2020. Co-financing rates vary between 50% and 85% (or 95%).

Description: Tourism investments may be considered both in relation to the labour market and also as a means to foster social inclusion. ESF investment priorities refer to four thematic objectives (a thematic concentration rule applies):

- '*Promoting sustainable and quality employment & supporting labour mobility*': potential tourism-related activities may include support to local employment initiatives targeting youth or seniors, promotion of self-employment, female tourism entrepreneurship, and business creation.
- '*Promoting social inclusion, combating poverty and any discrimination*': potential eligible actions addressing tourism may include the promotion of CLLD strategies, particularly if these aim to facilitate access by marginalised communities such as Roma to the tourism labour market. It is intended that at least 20% of the total ESF at national level be allocated to this objective.
- '*Invest in education, training and vocational training for skills and lifelong learning*': potential tourism-related activities may include education and vocational training to better match tourism market requirements, the development of apprenticeship schemes and recognised work-based education programmes.
- '*Enhancing institutional capacity of public authorities and stakeholders and efficient public administration*': institutional strengthening and development of administrative capacities aiming at reforms, better regulation and good governance of the tourism sector may be an eligible intervention. However, this last investment priority is only open to MS that are either receiving support from the Cohesion Fund or that have at least one less developed region.

In addition, article 12 of the ESF Regulation specifies that the fund may also support CLLD and integrated territorial investments in combination with ERDF or CF, as well as EAFDR or EMFF (reference is to Article 36 of Regulation (EU) No 1303/2013).

Eligibility: All LRAs are eligible for funding. The map on Structural Funds (ERDF and ESF) eligibility 2014-2020 is available here.

Links to more detailed info: EC website on ESF.

2.1.1 European Territorial Co-operation (ETC) programmes

Although only representing about 3% of the cohesion budget, the ETC complements the implementation of the EU cohesion policy across three types of programmes: inter-regional, transnational, and cross-border co-operation. A total of EUR 10.2 billion (in current prices) will be made available throughout the programming period 2014-2020. In the previous programming period, a great number of funded projects were related to tourism.

Inter-regional co-operation: INTERREG Europe

Size & type of funds: EUR 359 million for the entire programming period 2014-2020, mainly through co-financed grants. The total funding available for priority axis 4 (see below on its relevance to tourism-related investments) amounts to some EUR 104 million, of which EU support is approximately EUR 84 million. Two different co-financing rates apply: 75% for partners from AT, BE, DK, FI, FR, DE, IE, IT, LU, NL, ES, SE, and UK; and 85% for partners from BG, HR, CZ, CY, EE, EL, HU, LT, LV, MT, PL, PT, RO, SK, and SI.

Description: INTERREG EUROPE facilitates the exchange of experience between regions on four thematic objectives: '*Strengthening research, technological development and innovation*'; '*Enhancing the competitiveness of SMEs*'; '*Supporting the shift towards a low-carbon economy in all sectors*'; and '*Protecting the environment and promoting resource efficiency*'. Tourism-related investments by LRAs can be funded under the specific objective (SO) 4.1: '*Improve the implementation of regional development policies and programmes, in particular Investment for Growth and Jobs and, where relevant, ETC programmes, in the field of the protection and development of natural and cultural heritage*'. Projects and actions related to sustainable management (preservation and exploitation) of the natural environment and of cultural heritage are eligible, especially when they add to regional attractiveness and support tourism development whilst valorising local ecosystems and cultural artefacts. Indicative examples of projects eligible for funding under the SO 4.1 include the exchange of experiences among: LRAs and nature park management bodies on governance models for nature parks, and Natura 2000 areas involving recreational activities and visitor management systems; LRAs and nature managers on integrated coastal zone management (ICZM) practices following the new EU framework regulation on maritime spatial planning and ICZM; and European metropolitan regions on cultural heritage management in urban areas.

Eligibility: The target area of the programme includes the EU, Norway and Switzerland.[6] Among the eligible beneficiaries under SO 4.1 are regional and local public authorities responsible for natural and cultural heritage and Regional Development Agencies.

Links to more detailed info: Interreg Europe 2014-2020 Cooperation Programme Document (final draft).

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[6] According to Regulation 1299/2013 the programme may also cover Liechtenstein, Andorra, Monaco, San Marino, the Faroe Islands, Greenland and third countries or territories neighbouring outermost regions; however, these are not specified as eligible areas in the Interreg Europe 2014-2020 co-operation programme document.

Inter-regional co-operation: URBACT III
Size & type of funds: EUR 74.3 million for the entire programming period 2014-2020. National contributions are paid by Member and Partner States based on their population in proportion to the total European population (ex-ante contribution). Cities and regions contribute to URBACT budget proportionally to their involvement in the programme (local contributions).
Description: URBACT is a networking programme promoting sustainable urban development through exchange and learning activities. According to the ETC Regulation, it facilitates '*exchange of experience concerning the identification, transfer and dissemination of good practice on sustainable urban and rural development'*. Examples of recent tourism-related projects funded under URBACT include: CTUR – Cruise traffic and Urban regeneration of city-port heritage as a key for the sustainable economic, social and urban development (2009-2011) involving eight cities, two port authorities and a regional authority in an exchange and learning programme resulting in a good practices guide; HERO – Heritage as Opportunity (2008-2011) linking nine EU cities in a network promoting integrated and innovative management strategies for historic urban landscapes; and Gastronomic cities (2013-on-going) bringing together five EU cities to jointly promote gastronomy as an urban development aspect.   Tourism-related actions by LRAs eligible for funding may include: building of the capacities of city stakeholders (e.g. policy and decision makers, municipal staff, etc.) involved in the design, funding, implementation and monitoring of sustainable urban policies and action plans, including urban tourism strategies; implementing participatory approaches in the production of integrated sustainable urban development strategies and action plans in tourism destinations (involving support from experts and peers); and transnational exchange of experience supporting the implementation of urban strategies and action plans targeting tourism areas.
Eligibility: The target area of the programme includes the EU, Norway and Switzerland.
Links to more detailed info: URBACT III webpage; the URBACT III programme information sheet.

An additional financing strand within inter-regional co-operation that can indirectly benefit LRAs is the ESPON Programme 2014-2020. The programme does not foresee LRAs as beneficiaries (there will be a single beneficiary, i.e. ESPON EGTC) but includes them in the main target groups. It addresses all 11 thematic objectives, with a view to consolidating '*a European Territorial Observatory Network'* and enhancing '*the provision and policy use of pan-European, comparable, systematic and reliable territorial evidence'*. Tourism-related investments by LRAs may benefit from the ESPON Programme's monitoring and analysis of territorial development in Europe.

Transnational co-operation programmes

Size & type of funds: Some EUR 2.1 billion for the whole programming period 2014-2020, mainly through co-financed grants.

Description and eligibility: EU funding of transnational co-operation initiatives in the new programming period is governed through a total of 15 OPs. As at the beginning of May 2014, several of the final drafts of these OPs have been published and, in line with the previous programming period, confirm the existence of opportunities for tourism funding. Under each programme, the territorial coverage and eligibility are specified along the description of relevant actions. Importantly, country codes do <u>not</u> necessarily indicate eligibility of the whole country since in several cases eligibility is limited to some regions (NUTS2 level).

- *Northern Periphery and Arctic* (IE, FI, SE, UK, FO, GL, IS, NO (incl. SJ)): ⏩ Regional development agencies and other public intermediary bodies dealing with start-ups are eligible for support under Priority Axis 2 '*Promoting Entrepreneurship to Realise the Potential of the Programme Area's Competitive Advantage*'. Relevant actions include the development of new, or the transfer of already successful, tourism models and solutions to support start-ups or existing SMEs; the creation of business support systems focusing on 'place-based' development opportunities in the tourism sector (e.g. the unique cultural and natural heritage, indigenous lifestyles, etc.); and the provision of support to SMEs towards improved awareness and capacity to capitalise on tourism-related business opportunities beyond local markets ⏩ Tourism-related investments by LRAs that may be supported under Priority Axis 4: '*Natural and Cultural Heritage*' include: the transfer of innovative concept models for sustainable environmental management or the creation of new ones, involving the protection and promotion of natural and cultural heritage for tourism purposes; and the transfer of decision-making tools for local authorities in remote and sparsely populated areas, facilitating the capitalisation of tourism development opportunities based on local natural or cultural assets.

- *Baltic Sea Region* (DK, EE, LV, LT, PL, FI, SE, DE, NO, BY, RU): ⏩ LRAs and their enterprises involved in innovation, as well as regional development and planning agencies, may seek support for the following types of tourism-related initiatives under Priority Axis 1 '*Capacity for Innovation*': exchange of experience and networking among regions specialised in tourism; pilot implementation of smart specialisation strategies in the fields of culture, creative industries and recreation; and the promotion of non-technological innovation in support of cultural or other tourism-related entrepreneurship. ⏩ Tourism-related initiatives by LRAs (and their agencies responsible for blue economy sectors) that could benefit under Priority Axis 2 '*Efficient management of natural resources*' include the implementation of integrated action plans to tackle environmental concerns in the Baltic Sea that have an impact on the development of coastal tourism, notably beach and cruise tourism, recreational boating and fishing; the development and testing of tourism management models protecting biodiversity along the water systems; the alignment of coastal spatial planning with contingency planning to prepare for emergency responses that do not jeopardise tourism development; the pilot implementation of green-tourism and blue-economy investments that can be scaled up in the future; and the pilot implementation of actions enhancing resource efficiency in maritime tourism. ⏩ Relevant actions by LRAs (and their agencies involved in transport planning) eligible for support under Priority Axis 3 '*Sustainable transport*', include the elaboration and implementation of strategies for

improved sustainable transport connections aiming at increased potential of tourism activities; and the development of new transport service models to enhance accessibility to tourism destinations.

- *Alpine Space* (DE, FR, IT, AT, SI, LI, CH): tourism is among the '*topics of Alpine Space importance*'. LRAs may seek support for tourism-related investments as follows: ▸▸ Under Priority Axis 1 '*Innovative Alpine Space*': the mapping of innovation resources in the field of tourism, notably of market and product development potential; the development of transnationally designed tourism products and services; and the establishment of new tourism investment models and instruments supporting the funding of SMEs, notably start-ups. ▸▸ Under Priority Axis 2 '*Low carbon Alpine Space*': the development of tourism strategies and models contributing to the establishment of local/regional low-carbon model areas. ▸▸ Under Priority Axis 3 '*Liveable Alpine Space*': the promotion of cultural initiatives with a view to establishing a transnational alpine identity and raising awareness on alpine cultural heritage; the elaboration and testing of implementation strategies, models and actions to jointly develop tourism and protect the natural and cultural alpine heritage; the pilot application of labelling and funding systems for green and fair-trade products promoting the natural and cultural alpine heritage; and the elaboration of concepts, strategies, models and pilots for the management of ecosystem services for visitors and tourists from other parts of Europe (e.g. sustainable management of biodiversity, landscape management, green corridors, green infrastructure).

- *Central Europe* (CZ, HU, AT, PL, SI, SK, DE, IT, HR): the following types of tourism-related investments by LRAs are eligible for support: ▸▸ Under Priority Axis 1 '*Cooperating on low carbon strategies in Central Europe*': fostering the co-operation of LRAs with research institutions to stimulate innovation and entrepreneurship in the tourism sector; and improving skills and competences in the use of innovative technologies in the tourism sector (e.g. eco-innovations, ICT tools, low-carbon technologies, etc.). ▸▸ Under Priority Axis 2 '*Cooperating on innovation to make Central Europe more competitive*': the elaboration of demand-focused strategies and policies to reduce energy consumption in the tourism sector (e.g. smart metering). ▸▸ Under Priority Axis 3 '*Cooperating on natural and cultural resources for sustainable growth in Central Europe*': the elaboration and pilot implementation of integrated strategies and tools facilitating the sustainable management of environmentally sensitive areas by avoiding conflicts with tourism and related land-use; the design and implementation of approaches to sustainably use natural resources in tourism-focused regional development; the elaboration and implementation of integrated local/regional development strategies making best use of cultural resources (heritage) to enhance growth and jobs in the tourism sector; and the development and testing of ICT tools for the protection and sustainable use of cultural resources by the tourism industry. ▸▸ Under Priority Axis 4 '*Cooperating on transport to better connect Central Europe*': the improvement of interoperability of regional public transport systems, especially across border regions, with a view to enhancing the accessibility of tourism destinations; the development and testing of ICT tools and applications for smart regional mobility, to facilitate tourism flows; and the development and testing of standards and tools for improved mobility services, notably for disadvantaged groups.

- **_Mediterranean_** (EL, ES, FR, IT, CY, MT, PT, SI, UK, HR, AL, BA, ME): LRAs may be supported in the implementation of the following types of tourism-related investments: ▸▸ Under Priority Axis 1 '_Promoting Mediterranean innovation capacities to develop smart and sustainable growth_': promoting new and existing transnational innovation networks and clusters in the tourism sector; supporting the internationalisation of tourism SMEs; fostering co-operation between research, SMEs and the public sector towards improved innovation and entrepreneurship in the tourism sector, including the creation of better tourism products, processes and strategies; a demonstration of the added value and transfer potential of transnational innovation systems, processes or services in the tourism sector; and a demonstration of public policies fostering innovation in the tourism sector. ▸▸ Under Priority Axis 2 '_Fostering low-carbon strategies and energy efficiency in specific MED territories, cities, islands and remote areas_': promoting, testing and demonstrating public policies targeting a reduction in energy consumption in tourism destinations; setting up demand-focused strategies to improve energy efficiency in the tourism sector, including policies facilitating smart metering, or the deployment of smart consumer applications in tourism destinations; testing/demonstrating the feasibility of using renewable local energy sources in tourism destinations; promoting the constant availability of renewable local energy sources in tourism destinations; improving connectivity and mobility in tourism destinations (notably in and between islands) by introducing low-carbon transport systems; demonstrating solutions that promote the use of sustainable transport modes, e.g. cycling routes, by tourists and visitors; raising awareness on the strategic role of sustainable transport systems for the competitiveness of the tourism sector. ▸▸ Under Priority Axis 3 '_Protecting and promoting Mediterranean natural and cultural resources_': elaborating sustainable tourism development strategies and tools to protect the value of cultural and natural heritage, reduce resource use, and enhance resource efficiency; implementing innovative approaches that decouple tourism growth from resource consumption; promoting the integration of climate change-related impacts (e.g. severe weather events, drought, floods, land and coastal erosion, etc.) in tourism development strategies; demonstrating solutions combining mass tourism with natural and cultural heritage protection; fostering the value of cultural heritage, notably through improved management of heritage sites; demonstrating approaches and tools facilitating the sustainable management of protected areas, including the mitigation of conflicting land-uses; implementing strategies to develop public tourism assets, including the tourism potential of natural areas. ▸▸ Under Priority Axis 4 '_A shared Mediterranean Sea_': elaborating tourism sector studies and diagnoses; facilitating networking and coordination between tourism actors; and elaborating integrated approaches to address common problems in the tourism sector.

- **_North West Europe_** (BE, DE, IE, FR, LU, NL, CH, UK): Tourism-related actions by LRAs eligible for support may include: ▸▸ Under Priority Axis 3 '_To reduce GHG emissions in NWE through international cooperation on the uptake of low carbon technologies, products, processes and services_': co-operation with tourism enterprises in implementing and adopting zero/low carbon technologies. ▸▸ Under Priority Axis 4 '_To reduce GHG emissions in NWE through international cooperation on transnational low carbon solutions in transport systems_': design, application and evaluation of efficient traffic management solutions in historic city centres and other urban tourism destinations (e.g. smart mobility, IT systems, last mile concepts or services, journey planning tools), provided that GHG emissions reductions are achieved. ▸▸ Under Priority Axis 5 '_To optimise (re)use of material and natural resources in NWE through international_

- *cooperation*': co-operation with tourism enterprises and specialised environmental experts in improving resource efficiency of tourism services through the implementation of life cycle analysis.
- *North Sea* (BE, DK, DE, NL, SE, NO, UK): Eligible tourism-related investments by LRAs may include: ▸▸ Under Priority 1 '*Thinking Growth: Supporting growth in North Sea Region economies*': fostering new or improved knowledge partnerships with businesses, knowledge institutions, relevant public administrations and end-users with a view to the development of competitive tourism products and services. ▸▸ Under Priority 2 '*Eco-innovation: Stimulating the green economy*': promoting new products, services and processes with a view to facilitating the greening of the North Sea tourism sector, including reduced carbon emissions, raw material usage and waste, and the sustainable management of ecosystems. ▸▸ Under Priority 3 '*Sustainable North Sea Region: Protecting against climate change and preserving the environment*': implementing new or improved approaches aiming at enhancing climate resilience of tourism destinations. ▸▸ Under Priority 4 '*Promoting green transport and mobility*': fostering green transport solutions for tourists.

As at the beginning of May 2014, <u>draft OPs are not available</u> for the following:

Atlantic Area (IE, ES, FR, PT, UK). | *South West Europe* (ES, FR, PT, UK, AD). | *Adriatic Ionian* (AL, BA, HR, EL, IT, ME, RS, SI) [By selecting sustainable tourism as one of its four pillars, the EU Strategy for the Adriatic and Ionian Region (EUSAIR) is likely to put tourism in the spotlight and offer a whole range of funding opportunities]. | *Danube* (AT, BA, BG, HR, CZ, DE, HU, MD, ME, RO, RS, SK, SI, UA) [The programme's thematic priorities are expected to support the EU Strategy for the Danube Region (EUSDR), which includes culture and tourism among its eleven priority areas]. | *Balkan Mediterranean* (EL, BG, CY, AL, MK) [Its thematic priorities will be centred around connectivity, environment and entrepreneurship, with a view to addressing needs related to existing regional co-operation links, the fragmentation of the region (markets, transports, etc.), the fragile sea environment and an improved management of river basins and the coastal environment]. | *Caribbean Area* [FR (GP, MF, BL, MQ, GF) – All Caribbean States]. | *Plateau des Guyanes* (FR, BR, SR, GY). | *Indian Ocean Area* [FR (RE, YT) – All Indian Ocean Countries].

More on eligibility: The target area of the programmes may include regions in Norway and Switzerland, and also cover Liechtenstein, Andorra, Monaco, San Marino, the Faroe Islands, Greenland and third countries or territories neighbouring outermost regions.

Links to more detailed info: [EC Regional Policy - Inforegio website](); [Northern Periphery and Arctic website](); [Baltic Sea Region website](); [North West Europe website](); [North Sea website](); [Atlantic Area website](); [Alpine Space website]: [Central Europe website](); [South West Europe website](); [Mediterranean website](); [Adriatic Ionian (ex South East Europe) website](); [Danube website](); [Balkan Mediterranean website](); [Caribbean Area website]().

Cross-border co-operation programmes
Size & type of funds: The programme will make available, mainly through co-financed grants, some EUR 7.5 billion for the whole programming period 2014-2020.
Description: Cross-border co-operation aims to address a series of common challenges, which are to be jointly identified by bordering regions. Regulation 1299/2013 on ERDF support to the ETC goal outlines specific examples of such challenges, some of which are related to tourism, i.e. '*poor accessibility*' in relation to transport infrastructure, '*environmental pollution*', and '*negative attitudes towards neighbouring country citizens*'. Experience from projects co-funded in the previous programming period indicates that it is likely for tourism to be identified as an important common challenge by the majority of cross-border OPs for 2014-2020; however, the latter have not yet been finalised. Tourism-related investments under cross-border co-operation programmes may be implemented through CLLD, following the LEADER approach, as described in the EAFRD section of this report.
Eligibility: The target area of the programme may include regions in Norway and Switzerland, and also cover Liechtenstein, Andorra, Monaco and San Marino and third countries or territories neighbouring outermost regions.
Links to more detailed info: Inforegio website.

2.1.2 Other ESIF initiatives

Youth Employment Initiative –YEI
Size & type of funds: Specific allocation of EUR 3.2 billion to be complemented by an additional EUR 3.2 billion from ESF targeted investment.
Description: YEI is to fight youth unemployment; it supports the measures included in the Youth Employment Package (2012) and the Youth Guarantee. It targets people aged below 25 (or 30, depending on MS provisions), resident in eligible regions, and not in employment, education or training (NEET). YEI is to support actions under Article 3(1)(a)(ii) of Regulation 1304/2013, and namely '*Sustainable integration into the labour market of young people, in particular those not in employment, education or training, including young people at risk of social exclusion and young people from marginalised communities'*. Any tourism-related initiative addressed to this age group with a view to facilitating youth access to the labour market is potentially eligible for support. This may include work placement schemes, on-the-job-training, apprenticeships or back-to-school programmes.
Eligibility: NUTS2 regions with youth (15-24) unemployment rates over 25% in 2012. For MS where the youth unemployment rate has increased by more than 30% in 2012, eligible regions are NUTS2 regions with youth unemployment rates over 20% in 2012. Sub-regions outside the eligible regions may be allocated up to 10% of the YEI funds, following an agreement between the Commission and the MS.
Links to more detailed info: DG Employment, Social Affairs & Inclusion website. Allocation of YEI by MS available at Regional Policy – Inforeggio website and also here.

2.1.3   Financial instruments

The use of financial instruments in the new programming period will be subject to relevant decisions by the managing authorities of the OPs. It may refer to: standardised (off-the-shelf and ready-to-use) instruments whose terms and conditions are laid down by the EC (these may for instance include the JESSICA instrument); and already existing or newly created instruments, tailored to specific conditions and needs (JESSICA-type instruments). As JESSICA is still operational, is likely to be confirmed also for 2014-2020 and is relevant for tourism-related investments by LRAs, it is herewith described.

JESSICA
Size & type of funds: The instrument uses 2007-2013 Structural Funds (likewise, future funding is expected to come from ESIF) through the OPs to produce revolving funds that can be used for investments in sustainable cities and towns. Selection of projects is based on their business plan.
Description: Jessica is a 'financial engineering instrument' (revolving loan funds) developed jointly by the EC and the European Investment Bank (EIB) and supported by the Council of Europe Development Bank. It aims at promoting sustainable investment, growth and jobs in EU urban areas. Potential eligible initiatives by LRAs relate to the protection, upgrading, management and promotion of heritage or cultural sites for tourism use within urban environments. Other investments by LRAs potentially related to tourism include the creation of urban infrastructure and the re-development of brownfield sites.
Eligibility: LRAs are eligible to participate either individually as public sector organisations or through public-private partnerships.
Links to more detailed info: Inforegio website.

2.2 Other programmes

Programme for the Competitiveness of Enterprises and SMEs - COSME

Size & type of funds: Budget over the period 2014 – 2020: EUR 2.3 billion. At least 60% of this allocation is for the financial instruments. Budget for 2014: EUR 260 million, out of which EUR 8.7 million are allocated to action COS-WP2014-3-15 '*Enhancing European tourism competitiveness and sustainability*'. Awarding modalities: (1) grants, through calls for proposals and against a set of selection and award criteria, with a maximum level of EU co-financing of 75%; (2) contracts, under a framework contract or awarded through calls for tenders; (3) *ad hoc* grant agreements with specific bodies.

Description: Tourism is directly addressed by one of the four specific objectives of the programme, which include: (1) Improve access to finance for SMEs. (2) Improve access to markets, particularly inside the Union but also at global level. (3) Improve framework conditions for the competitiveness and sustainability of Union enterprises, particularly SMEs, including in the tourism sector; this objective has been tentatively allocated 11% of the financial envelope. (4) Promote entrepreneurship and entrepreneurial culture. COSME will focus on initiatives with a transnational dimensions and/or European added value, facilitating economies of scale and demonstration effect. Implementation will be based on annual WP prepared by the EC where actions are detailed and budgeted. Under objective 3 'framework conditions', WP 2014 envisages: ▶ (i) *Increasing tourism flows in low and medium seasons*. Funding through co-financed grants; budget of EUR 1.65 million. It is expected that a call will be published in June 2014 with submission of proposals in September. Some 8-10 projects of 12-24 months duration are likely to be funded. Successful proposals shall: extend the tourism season; be transnational while fostering public and private partnership; target senior and youth; be supportive of sustainable tourism development; be based on a robust business plan/idea. ▶ (ii) *Diversifying the EU tourism offer and products.* Funding through co-financed grants; total budget of EUR 2.15 million. Three calls for proposals are expected in the second quarter of 2014. One call will focus on sustainable transnational products to promote thematic offer related to, for example, common heritage, maritime tourism, business tourism, rural tourism, and sport tourism. It is expected that the call will be published in May 2014, with submission of proposals in August. Available budget is 1 million, to fund 4-5 projects of 18 months duration. Successful proposals shall be: sustainable, transnational (with at least 5 countries involved and fostering co-operation between SMEs and public authorities), thematic, supportive of sustainable tourism development, and accompanied by a robust business plan. A second call will be for co-financing national administrations (or empowered regional authorities) in charge of tourism that will be organising the selection of European Destinations of Excellence. A third call will aim at maximising the synergies between tourism, high-end and creative industries; the focus will be on products with economic potential (for example, chocolate or perfume) around which a European route may be developed and promoted. The call will be published in April with submission of proposals in July. The budget of EUR 400,000 is expected to co-fund one (pilot) project of 18 months duration. The selected proposal has to promote tourism diversification, be transnational and involve at least five countries, and foster public-private partnership with a mandatory participation of at least one public authority and two SMEs. ▶ (iii) *Enhance tourism quality, sustainability, accessibility, skills, information and innovation*. Funding through specific contracts under a framework contract and a contract through a call for tenders; total budget of EUR 0.97 million. Foreseen actions range from the maintenance of the 'Tourism for All Register', listing companies providing services for tourists with accessibility problems; to the

management and production of content for the ICT and Tourism Business Support Portal. Other actions include policy initiatives, as well as information and awareness raising activities, also on funding opportunities, for public and private stakeholders and for tourist.

▸▸ (iv) *Improving socio-economic knowledge of the sector.* Funding through specific contracts under a framework contract (for the production of a Eurobarometer survey and the provision of contents to the 'Virtual Tourism Observatory') and through an *ad hoc* grant agreement with OECD (for the production of a report on 'Tourism Trends and Policies 2016'); total budget EUR 1.5 million. ▸▸ (v) *Increasing Europe's visibility as a tourist destination as well as its diverse destinations*. Funding through a specific contract under a framework contract for implementing an international tourism communication campaign on Europe in third countries, and through an *ad hoc* grant agreement with the Council of Europe.

▸▸ In addition, co-funding is available under two preparatory actions (PA), namely: (1) '*Tourism accessibility for all*': a call on '*fostering accessible tourism entrepreneurship and management*' is expected to be launched in June 2014 with submission of proposals in September. Some 3-4 projects of 18 months duration each will be selected within a total available budget of EUR 650.000. Proposals shall target the testing of capacity building schemes for managers, destination managers and entrepreneurship. (2) '*Promotion of European and transnational tourism products with special emphasis on cultural and industrial products*': a call on '*Development and/or promotion of European Routes based on European cultural and industrial heritage*' is expected to be launched in April 2014 with submission of proposals in July. Some 5 projects of 18 months duration each will be selected within a total available budget of EUR 1 million. Proposals should target a tourism product, which is transnational and thematic. At least 4-5 countries should be involved as well as two SMEs and one public authority.

Eligibility: COSME is in general addressing enterprises and in particular SMEs where the term indicates micro, small and medium-sized enterprises. However, calls for proposals under (i) and (ii) above as well as PAs are open to LRAs and to legal entities with a public participation. In general, applicants/partners are requested to be active in the fields of the call. Also entities and bodies of the overseas countries and territories are eligible to participate in the COSME programme (Council Decision 2001/822/EC of 27 November 2001).

Links to more info: COSME website; COSME calls for proposals; Info day on EU funding, presentation on 'Cosme. Enhancing European tourism's competitiveness and sustainability'.

EU Programme for Employment and Social Innovation – EaSI

Size & type of funds: The total budget for 2014-2020 is EUR 919 million (2013 prices). Where financing is through calls for proposal, EU co-financing cannot exceed 80% of total eligible costs under PROGRESS, and 95% of total eligible costs under EURES.

Description: EaSI is the financing instrument, directly managed by the EC, bringing together the previously self-standing PROGRESS, EURES, and Progress microfinance programmes. PROGRESS, EURES, and Microfinance and Social Entrepreneurship will be the three axes of the instrument, allocated 61%, 18%, and 21% of the budget, respectively. PROGRESS has three main areas of intervention: analytical; mutual learning, awareness and dissemination; and support for main actors. This last strand provides support to stakeholders active in the fields of non-discrimination, gender equality and social inclusion/protection and could potentially be explored to fund, for example, initiatives related to accessible tourism. EURES will continue promoting job mobility and information; among foreseen activities is the development of targeted mobility schemes that are potentially appropriate for filling job vacancies in a sector such as tourism that is characterised by seasonal labour. The Microfinance and Social Entrepreneurship axis will support the self-employment of individuals and of micro-enterprises, with a focus on vulnerable categories, through the intervention of microcredit providers; similarly, social enterprises will benefit from access to loans through public and private providers.

Eligibility: Regional and local authorities from EU MS are eligible to apply for funding under the three axes; nonetheless, under the third axis, public and private bodies that apply should be involved in the provision of microfinance and/or financing for social enterprises.

Links to more detailed info: EaSI webpage.

Europe for citizens

Size & type of funds: The budget for 2014-2020 is EUR 185 million. Measures may take the form of grants or public procurement contracts.

Description: The Regulation setting up the programme has been adopted on 14 April 2014. The programme has two strands: '*Remembrance and European citizenship*'; and '*Democratic engagement and civic participation*'. Some of the activities foreseen by the programme may be related to tourism as they address history-related topics or town-twinning. Most of the actions under the programme will be managed by the Education, Audiovisual and Culture Executive Agency (EACEA).

Eligibility: Eligibility criteria are specified in individual calls for proposals. According to the Regulation, the programme is '*open to all stakeholders promoting European citizenship and integration, in particular local and regional authorities and organisations, twinning committees, European public policy research organisations (think-tanks), civil society organisations (including survivors' associations), and cultural, youth, educational and research organisations*'. The target area of the programme includes the EU MS, acceding countries, candidate and potential candidate countries, and EFTA countries party to the EEA Agreement.

Links to more detailed info: Calls for proposals are available here. EACEA programme's webpage. List of funding opportunities under the programme by EACEA are available here.

Size & type of funds: The total budget for 2014-2020 is EUR 3.45 billion (2013 prices): EUR 2.592 billion are allocated to the 'Environment' sub-programme and EUR 0.864 billion to 'Climate Actions'. Funding comes mainly in the form of grants, with co-financing reaching up to 75% for projects addressing the 'Nature and Biodiversity' priority under the Environment sub-programme (when concerning priority habitats or species, in line with Directives 92/42/EEC or 2009/147/EC) and up to 60% for all other projects (dropping down to 55% in the second multi-annual WP, i.e. post 2017). Grants for capacity building projects are also available for some MS under conditions, with up to 100% co-financing.

Description: LIFE+ aims to improve the implementation of EU environment and climate policy and legislation, notably by contributing to the *'shift towards a resource-efficient, low-carbon and climate resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss'*. Recent examples of LIFE+ co-financed tourism-related projects involving LRAs demonstrate how the programme is an eligible source of funding for tourism: the Oberes Maintal (2010-on-going), addressing nature conservation in a popular tourism destination in Bavaria, co-ordinated by the Bavarian region environmental ministry (Germany); the T.A.SM.A.C. - Tourism Accessibility in Small Attractive Cities (2009-2014), implementing an integrated model for improving urban mobility and accessibility for tourists, co-ordinated by the Marche Region Public Transport Department (Italy); and the CarbonTour (2009-2012), addressing CO_2 offsetting and carbon neutrality for the tourist accommodation industry, co-ordinated by the North Aegean regional authority (Greece). ▸ Under priority area '*Environment and Resource Efficiency'*, tourism-related eligible projects may include: the implementation of water-saving measures in the tourism sector or in tourism destinations, on the basis of hydro-economic models; the development of tools, technologies and practices fostering the sustainability of tourism activities in marine environments, notably when reducing the pressure of tourism on these environments; addressing marine litter or microbial contaminants stemming from tourism activities; fostering synergies between ICZM and maritime spatial planning in tourism destinations, notably in marine protected areas or Natura 2000 sites; the implementation of tools ensuring the provision of water services in sparsely populated tourism destinations; the promotion of new business models for resource efficiency in the tourism sector; the implementation of the European environmental footprint methodology in the tourism sector; the promotion of permanent noise Low Emission Zones schemes in urban tourism destinations; the use of low noise surfaces in densely populated historic city-centres; and promoting sustainable urban planning in tourism destinations. ▸ Under priority area '*Nature and Biodiversity'*, tourism-related investments by LRAs that may be supported include: the assessment and/or monitoring of the impact of tourism activities on critical marine habitats and species; the promotion of active conservation measures in marine habitats which are also tourism destinations; the elaboration and promotion of methodologies for the valuation of and payment for ecosystem services in tourism areas; and the demonstration of innovative ways of financing for biodiversity-related activities in tourism destinations, e.g. engaging tourism actors through public-private partnerships, establishing biodiversity offsets, etc. ▸ Under priority area '*Environmental Governance and Information'*, eligible projects may include: the establishment of beach and clean-up schemes, with a view to raising awareness on marine environment protection; and the promotion of sustainable consumption in tourism destinations, through awareness-raising campaigns focusing on food waste and optimal food storage. ▸ Under the sub-programme for Climate Action, eligible actions may include: the implementation of adaptation strategies in vulnerable tourism destinations, notably in urban, coastal, mountainous and island areas; the promotion of low-carbon

tourism approaches (low-carbon tourism model cities or regions); and the mainstreaming of emission reduction and resource efficiency measures in the tourism sector.

Eligibility: The programme is open to all types of organisations, including LRAs and their enterprises (e.g. development agencies). There are no limits as to the number of beneficiaries involved in an action but partnerships with more than five organisations require thorough justification.

Links to more detailed info: DG Environment LIFE Programme website.

Creative Europe

Size & type of funds: Total budget: EUR 1.46 billion (current prices). Budget for 2014: EUR 169 million. Funding comes mainly in the form of grants, with co-financing. In the 2014 WP the co-financing rate varies from 50% to 80% of total eligible costs.

Description: The programme provides support to the creative and cultural sectors. It encompasses two sub-programmes (on MEDIA and CULTURE, with a financial envelope of 56% and 31% of the total budget, respectively) and a cross-sectoral strand. The culture sub-programme is the most interesting for tourism, special actions including prizes, the yearly awarding of 'European capitals of culture' to 2-3 cities, and the awarding of the 'European Heritage Label' to sites with a historical value for the European integration process. The cross-sectoral strand establishes a Guarantee Facility to facilitate access to loans by SMEs and organisations operating in the cultural and creative sectors. Recent examples of tourism-related funding include a light festival moving between three EU cities, and creative installations linking former fishing communities and highlighting their maritime heritage.

The programme will be implemented by means of annual WP prepared by the EC where actions are detailed and budgeted. Creative Europe is managed by the EACEA. Within WP 2014, none of the measures explicitly mention tourism initiatives or products as being eligible.

Eligibility: Eligibility criteria are specified in the calls for proposals. The target area of the programme includes the EU MS, candidate and potential candidate countries, EFTA countries, and countries covered by the European Neighbourhood Policy.

Links to more detailed info: Calls for proposals are available here; EACEA programme webpage; Creative Europe 2014 WP.

Erasmus+ for all programme for education, training, youth and sport

Size & type of funds: Total budget: EUR 14.77 billion (current prices). Co-financed grants with the co-financing rate ranging from 50% to 100% depending on type of activity and type of cost.

Description: Erasmus+ is the programme for education, training, youth and sport (in particular grassroots sport). It brings together the previous lifelong learning programmes, the international higher educational programmes, and the Youth in Action programme. The programme foresees three main types of key action: (1) learning mobility of individuals, allocated at least 63% of the financial envelope; (2) co-operation for innovation and exchange of good practices, allocated at least 28% of the financial envelope; and (3) support for policy reform, with 4.2% of the total budget. In addition, it includes 'Jean Monnet' activities, and actions in the field of sport. Potentially interesting opportunities for LRAs related to tourism include:

Under Key Action 1: ⊁ Vocational education and training: activities strongly linked to employment, implying partnership with social and private actors, preferably aligned to national/regional/local development strategies, and with a focus on fields with good

potential for growth or with skills shortages such as tourism. ⏵ Youth: projects tackling social inclusion and well-being, especially through employment opportunities, with the specific objectives of complementing policy reforms at the local and regional level, fostering knowledge and evidence-based youth policy, and promoting the international dimension/role of youth activities/organisations through mobility and co-operation. ⏵ Joint Master Degrees related to tourism.

Under Key Action 2: ⏵ Strategic Partnership: co-operation between regional authorities for developing systems related to education, learning and youth and integrated into actions of local and regional development. ⏵ Knowledge Alliance: open to any discipline and sector, they are expected to put together education and business organisations to boost innovation, develop entrepreneurship mind-set and skills and stimulate exchange of knowledge. ⏵ Sector Skills Alliance: transnational projects to design and deliver vocational training programmes and teaching methodologies in a specific economic sector to respond to evidence in terms of trends or skills needed. Tourism is not among the eligible sectors but the possibility to include it in the future is being considered. Since 'commerce' is eligible, some tourism-related initiatives may be indirectly considered for funding. ⏵ Capacity Building: transnational co-operation projects targeting youth and aimed at implementing, among other activities, youth work practices.

Under Sport: support is provided to collaborative partnerships and not-for-profit European events; eligible actions range from studies and research to exchange of good practices, networking, awareness-raising, organisation of events, etc. Since sport is easily associated to tourism initiatives, it is worth exploring opportunities for funding under this strand.

The EACEA is responsible for the implementation of the centralised actions of the programme, including the launching of calls for proposals. Nonetheless, most of the programme is implemented through national agencies.

Eligibility: Erasmus+ covers EU MS, EFTA countries, as well as acceding countries, candidate countries and potential candidates; some other countries (the full list is available in the Erasmus+ Guide, page 24) may participate as 'partner' countries. Public bodies at local or regional level are considered eligible to apply for specific funding as follows. Under Key Action 1: mobility projects and Joint Master Degrees. Under Key Action 2: Strategic Partnerships and Knowledge Alliances; Sector Skills alliance only if representing a public VET authority at local, regional or national level; Capacity Building. Under Sport: collaborative partnerships and not-for-profit European events provided that the LRA is the public body in charge of sport at local or regional level.

Links to more detailed info: Erasmus+ Guide; EACEA programme's webpage; Erasmus+ 2014 WP; open calls for proposals are available here.

Size & type of funds: nearly EUR 80 billion of funding available over the period 2014-2020, including Euroatom. Budget breakdown: 31.73% to Excellent Science; 22.09% to Industrial Leadership; 38.53% to Societal Challenges; 0.60% to Science with and for Society; 1.06% to Spreading Excellence and Widening Participation; 3.52% to EIT; and 2.47% to non-nuclear direct actions of the JRC. For Euroatom, the budget is estimated (current prices) at EUR 1.603 billion (2014-2018) plus EUR 770 million (2019-2020). Funds are grants, awarded through calls for proposals.

Description: The programme is made up of several components: the Excellent Science pillar; the Industrial Leadership pillar; the Societal Challenges pillar; measures for Spreading Excellence and Widening Participation; the Science with and for Society programme; the launching of Knowledge and Innovation Communities (KIC) by the European Institute of Innovation and Technology (EIT); and the research programme Euroatom.

Due to the complexity and range of topics addressed by the various pillars, measures and programmes of Horizon 2020, funding opportunities for tourism, even if not explicitly mentioned, may be multiple. The 'Societal Challenges' strand may be of interest to LRAs, enabling research funding around health and well-being of the citizens (spa and health tourism), smart, green and integrated transport (tourism accessibility), intangible cultural heritage and its digitalisation or (re-)use of cultural artefacts. Likewise, 'Spreading Excellence and Widening Participation' may provide funding to 'teaming', 'twinning' and 'policy support facility' measures, all of which are potentially interesting for LRA participation in sectoral research and innovation through clustering, linking, use of tools and methodologies, etc.

Within the WP 2014-2015, tourism is explicitly mentioned with regard to innovation in the public sector, business model innovation, protection and mapping of cultural heritage, and the delivery of Earth Observation information services. Concerned budget lines include: ***ICT 8 – 2015**: Boosting public sector productivity and innovation through cloud,* by developing smart cloud-based solutions for a range of public services and applications, including in the tourism sector; ***NMP 21 – 2014**: Materials-based solutions for the protection or preservation of European cultural heritage,* one of the assets the tourism industry relies on; ***SC5-18-2014/2015**: Coordinating and supporting Earth Observation research and innovation in the EU, and in the North African, Middle East, and Balkan region,* by providing information services to critical economic and social sectors, including tourism, to strengthen their competitiveness and performance; ***REFLECTIVE-5-2015**: The cultural heritage of war in contemporary Europe,* implying a research project for the mapping of the use of cultural heritage of selected major armed conflicts; ***REFLECTIVE-6-2015**: Innovation ecosystems of digital cultural assets,* to support and promote access to, and use of, cultural heritage resources*; **INSO-10-2015**: SME business model innovation*, with a focus on '*user-oriented services, cultural heritage related services, social services and tourism*'; ***DRS-11-2015**: Disaster Resilience & Climate Change topic 3: Mitigating the impacts of climate change and natural hazards on cultural heritage sites, structures and artefacts,* i.e. assets the tourism industry relies on. Other 'reflective' budget lines dealing with cultural heritage and assets may be potentially interesting for tourism.

Eligibility: Territorial coverage: EU MS including their overseas departments; the Overseas Countries and Territories (OCT) linked to the MS and Countries Associated to Horizon 2020 (provided that the association agreements have been finalised). Eligibility criteria include: (i) Research & innovation action and Innovation action: at least three legal entities established in a different MS or associated country and independent from each other; (ii) Coordination & support action: at least one legal entity established in a MS or associated

country; (iii) SME instrument: at least one (for-profit) SME established in EU MS or associated countries; (iv) ERA-NET Co-fund: as (i) but participants must be research funders, meaning legal entities owning or managing public research and innovation; (v) Pre-commercial procurement Co-fund & Public procurement of Innovative solutions Co-fund programmes: as in (i) plus two independent legal entities that are public procurers from two different MS or associated countries.

Links to more detailed info: Each component of the Programme is accessible here; once the desired section has been selected, open calls referring to that section are visible at the bottom of the page.

2.3 Prizes

EDEN – European Destinations of Excellence

Size & type of funds: Symbolic acknowledgement through a formal award ceremony, as well as publicity and communication at the European level of the awarded destinations.

Description: Launched in 2006 by the EC, the EDEN award project promotes selected sustainable tourism destinations across the EU, notably emerging and relatively unknown places. The competition develops around an annual theme selected by the EC together with the national tourism bodies of the participating countries. In the past, EDEN themes have included rural tourism, intangible heritage, protected areas, aquatic tourism, physical sites regeneration, and accessible tourism. For 2014, the EDEN theme is '*tourism and local gastronomy*'. Selected destinations are expected to have developed a tourism offer on the basis of their local gastronomy, for example by organising festivals, promoting traditional food markets or know-how (culinary practices, cooking methods, etc.). The expected benefits are threefold: to increase their visibility as places to visit, to share good practices across Europe, and to network with other emerging tourism destinations. Interested LRAs may compete annually, at national level.

Eligibility: The target area of the EDEN award project includes LRAs from EU28 MS and candidate countries.

Links to more detailed info: EDEN website.

European Greenways Award

Size & type of funds: Symbolic acknowledgements (diplomas and trophies) as well as publicity and communication at the European level of the awarded greenways/initiatives.

Description: The award is to promote 'greenways' defined in the Lille declaration of 12 September 2000 as '*Communication routes reserved exclusively for non-motorised journeys, developed in an integrated manner which enhances both the environment and quality of life of the surrounding area. These routes should meet satisfactory standards of width, gradient, and surface condition to ensure that they are both user-friendly and low-risk for users of all abilities. In this respect, canal towpaths and disused railway lines are a highly suitable resource for the development of greenways'.* There are three prize categories: (i) Excellence awards for exemplary greenways; (ii) Exemplary initiatives for greenways-related activities (including, for example, preservation of cultural heritage), with the aim of replicating best practices in other greenways; and a (iii) Special award that in 2013 was related to *Tourism product in greenways*. Awards are granted through calls for proposal launched every two years. The next call for applications will be launched in the first quarter of 2015.

Eligibility: Applications can be submitted by public and private organisations, including associations and SMEs active in the field of greenways as well as tourism business generation and marketing of integrated tourism products.

Links to more detailed info: Website of the 6th edition of the award in 2013, which also details the regulation of the award; European Greenways Association website.

European Museum of the Year Award (EMYA) and other museum prizes

Size & type of funds: A monetary prize is awarded.

Description: Established in 1977 under the auspices of the Council of Europe, EMYA is granted on a yearly basis '*to a museum which contributes most directly to attracting audiences and satisfying its visitors with unique atmosphere, imaginative interpretation and presentation, a creative approach to education and social responsibility*'.
Other prizes include: The Council of Europe Museum Prize, The Kenneth Hudson Award, The Silletto Prize, and other 'special awards'.

Eligibility: Public or private museums, regardless of their size, are eligible to apply.

Links to more detailed info: European Museum Forum website.

2.4 Other funding mechanisms

European Union Solidarity Fund

Size & type of funds: EUSF is funded outside the normal EU budget. It has an annual budget of EUR 1 billion but allocation varies according to the occurrence of major disasters. Funds are disbursed as grants; no co-financing is required although the support is expected to complement national efforts and to cover a share of the public expenditure allocated towards damages suffered.

Description: The instrument tackles major disasters seriously impacting living conditions, the natural environment or the economy. Long-term actions are not eligible under this fund. Financing is for emergency operations towards non-insurable damage; these also include measures to protect cultural heritage assets and the cleaning-up of disaster-stricken areas, including natural zones, both of which are relevant to tourism. The eligibility of these operations is reiterated in the 2013 proposal by the EC for amending Council Regulation (EC) No 2012/2002 establishing the EUSF.

Eligibility: Countries are eligible if damage is estimated either at over EUR 3 billion (at 2002 prices) or more than 0.6% of its Gross National Income. Exceptional circumstances apply. Applications to EUSF are to be made by national authorities.

Links to more detailed info: Regional Policy webpage on EUSF; European Commission - MEMO/10/59 of 03/03/2010; CoR drafting opinion on EC proposal COM(2013) 522 final.

3. Recommendations for LRA access to funds

Public authorities should <u>avoid</u>:

- Developing a project idea without having read the relevant OP. The danger is that the project will not be considered eligible for support.
- Rushing into submission within an unrealistic deadline.
- Making unsubstantiated claims about potential deliverables.
- Being vague about objectives and European added value.
- Getting involved in too many projects and then being unable to follow up with appropriate administrative and financial resources.

They <u>should</u> (recommendations):

- Show evidence of need for the project and its added European value.
- Make sure that the costs they would like to charge are listed among the eligible expenditures and that the budgets are balanced, with figures in each budget line adding up accordingly.
- Accompany the project idea with a robust business or strategic plan (as relevant).
- Make sure that they will be able to complete the job as outlined in the project proposal, the danger being that they will not be reimbursed the money invested should this not be the case.
- Plan to make result-oriented interventions.
- Clearly define objectives, targets and indicators, to be able to measure the rate of success of their intervention.
- Describe modalities for project management and monitoring.
- Seek technical assistance from the Commission, the national contact points or the managing authorities, not only on participation rules and requirements but also on project ideas and suitable types of partners.
- Seek partnership with the private sector to increase technical and administrative capacity.

In addition, LRAs may also consider:

- Further participation in EGTCs as these legal entities will be increasingly involved in the management and implementation of territorial (especially cross-border co-operation) programmes, notably in Integrated Territorial Investments (ITI). ITI facilitate joint funding from several priority axes of one or more OPs towards the implementation of multi-dimensional and

cross-sector interventions; hence there is a need for legal entities that may guarantee stability and law security, such as the EGTCs.

- Registration in the Research and Innovation Strategies for Smart Specialisation (RIS3), to strengthen alignment of efforts and leveraging capacity for private investment decisions and public actors at the regional level.
- Assigning the task of compiling theme- or sector-based information (as opposed to programme-based information) to relevant networks, associations or technical assistance so as to support the identification of the best funding strand for a project idea, similar to the scope of this research paper.

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