EU financial assistance available to LRAs in Mediterranean partner countries
This report was written by Katarzyna Sidło, Aleksandra Chmielewska, Virginia Dicuonzo, and Abdoul Karim Zanhouo (CASE)

It does not represent the official views of the European Committee of the Regions.
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List of abbreviations

AMEE  Morocco’s National Agency for Energy Efficiency
ARLEM  Euro-Mediterranean Regional and Local Assembly
CBC  Cross-Border Cooperation
CoR  the European Committee of the Regions
CSO  civil society organisation
EC  the European Commission
EBRD  European Bank for Reconstruction and Development
EIB  European Investment Bank
EIDHR  European Instrument for Democracy and Human Rights
ENI  European Neighbourhood Instrument
ENP  European Neighbourhood Policy
EU  European Union
EUTF  EU Emergency Trust Fund for Africa
FINTECC  Finance and Technology Transfer Centre for Climate Change
GCFF  Global Concessional Financing Facility
IcSP  Instrument contributing to Stability and Peace
IPA  Instrument for Pre-Accession Assistance
LRAs  Local and Regional Authorities
MENA  Middle East and North Africa
MEPS  Minimum Energy Performance Standards
MFF  Multiannual Financial Framework
MIP  Multiannual Indicative Programme
MS  Member States
NDICI  Neighbourhood, Development and International Cooperation Instrument
NIP  Neighbourhood Investment Platform
OECD  Organisation for Economic Co-operation and Development
PRIMA  Partnership for Research and Innovation in the Mediterranean Area
SDG  Sustainable Development Goal
SIGMA  Support for Improvement in Governance and Management
UN  United Nations
UNDP  United Nations Development Programme
UNIDO  United Nations Industrial Development Organisation
1. Introduction

This note will focus on the key policy areas outlined in the Joint communication of the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy *A new Agenda for the Mediterranean* on 09 February 2021. These policy areas include human development and the rule of law, peace and security, migration, and the green transition\(^1\). According to the Multiannual Financial Framework (MFF), adopted by the Council on 17 December 2020, EU expenditures for 2021-2027 will cover the following areas\(^2\):

1. Single Market, Innovation, and Digital;
2. Cohesion, Resilience, and Values;
3. Natural Resources and Environment;
4. Migration and Border Management;
5. Security and Defence;
6. Neighbourhood and the World;
7. European Public Administration.

The main internal programmes and funds available to LRAs under the MFF include:

- Horizon Europe;
- Erasmus+;
- Creative Europe.

However, in the 2021-2027 MFF, funding for the European Neighbourhood Policy (ENP) originates predominantly from the new comprehensive instrument for external programmes, namely the “Neighbourhood, Development and International Co-operation Instrument” (NDICI) – Global Europe. Therefore, this brochure takes into account the changes in financial instruments covering cooperation with third countries.

On 18 December 2020, a political agreement on NDICI – Global Europe was reached, and on 8 June 2021, the instrument was adopted by the European Parliament. The NDICI – Global Europe will enter into force retroactively from 1 January 2021.

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\(^1\) [https://eeas.europa.eu/sites/eeas/files/joint_communication_renewed_partnership_southern_neighbourhood.pdf](https://eeas.europa.eu/sites/eeas/files/joint_communication_renewed_partnership_southern_neighbourhood.pdf)

The overall budget allocated for EU cooperation with third countries was set at EUR 79.5 billion, in current prices. The total allocation will be divided as follows:

- EUR 60.38 billion for **geographic** programmes (at least EUR 19.32 billion for the Neighbourhood, at least EUR 29.18 billion for Sub-Saharan Africa, EUR 8.48 billion for Asia and the Pacific, and for the Americas and the Caribbean, EUR 3.39 billion); at least EUR 500 million of the geographic envelope should be dedicated towards supporting the empowerment of local and regional authorities in the EU partner countries;

- EUR 6.36 billion for **thematic** programmes (human rights and democracy [EUR 1.36 billion], civil society organisations [EUR 1.36 billion], peace, stability, and peace conflict prevention [EUR 0.91 billion] and global challenges with four proposed priority areas: people, planet, prosperity, and partnerships (the latter including local authorities) [EUR 2.73 billion]);

- EUR 3.18 billion for **rapid response actions**.

Additionally, a EUR 9.53 billion flexibility cushion of unallocated funds was envisioned.

The NDICI – Global Europe will be implemented through the approval in 2021 of multi-annual indicative programmes for the 2021-2027 period for each region, partner country, and thematic programme, to be prepared by the services of the European Commission and the European External Action Service, which will frame the subsequent financial implementation of actions.

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**Table 1 Indicative overview of the EU financial instruments available to LRAs in the Mediterranean partner countries under the 2021-2027 MFF**

<table>
<thead>
<tr>
<th>Dimension (geographic)</th>
<th>Programme / Instrument</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-Border Cooperation (CBC) Programmes: to be defined under NDICI <a href="https://www.enicbcmed.eu/">https://www.enicbcmed.eu/</a></td>
<td></td>
</tr>
<tr>
<td>Sustainable Urban Demonstration Projects (SUDeP): to be defined under NDICI <a href="http://www.sudepsouth.eu/">http://www.sudepsouth.eu/</a></td>
<td></td>
</tr>
<tr>
<td>European Neighbourhood Programme for Agriculture and Rural Development (ENPARD): to be defined under NDICI</td>
<td></td>
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<tr>
<td>Neighbourhood Investment Platform (NIP), formerly Neighbourhood Investment Facility (NIF): to be defined under</td>
<td></td>
</tr>
</tbody>
</table>

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8 Descriptions of active programmes are provided in the main body of the report. Whenever possible, links are also provided for programmes that are yet to be specified under the new MFF.
<table>
<thead>
<tr>
<th>Bilateral</th>
<th>Single Support Frameworks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thematic</td>
<td>European Instrument for Democracy and Human Rights (EIDHR): to be defined under NDICI</td>
</tr>
<tr>
<td></td>
<td>Instrument contributing to Stability and Peace (IcSP): to be defined under NDICI</td>
</tr>
<tr>
<td></td>
<td>Human Development and Migration &amp; Asylum: to be defined under NDICI</td>
</tr>
<tr>
<td></td>
<td>Erasmus+ (2021-2027) <a href="https://erasmus-plus.ec.europa.eu/">https://erasmus-plus.ec.europa.eu/</a></td>
</tr>
<tr>
<td></td>
<td>Support for Improvement in Governance and Management (SIGMA) <a href="http://www.sigmaweb.org">http://www.sigmaweb.org</a></td>
</tr>
<tr>
<td></td>
<td>Technical Assistance and Information Exchange (TAIEX) <a href="https://ec.europa.eu/%E2%80%8Cneighbourhood-enlargement/funding-and-technical-assistance/taie%E2%80%8C%E2%80%8Cx_en">https://ec.europa.eu/-neighbourhood-enlargement/funding-and-technical-assistance/taie‌‌x_en</a></td>
</tr>
<tr>
<td></td>
<td>Twinning <a href="http://ec.europa.eu/twinning">http://ec.europa.eu/twinning</a></td>
</tr>
</tbody>
</table>

Source: Own elaboration.
COVID-19-related assistance

The EU is set to support the post-COVID-19 recovery of the most vulnerable neighbouring countries. The EU relief measures focus on addressing short-term needs and mitigating the immediate socioeconomic consequences of the pandemic, as well as strengthening water, sanitation, and healthcare systems.

About EUR 20 billion will, thus, be provided by the EU, its Member States, and relevant financial institutions (i.e., EIB and EBRD) through the dedicated “Team Europe” package⁹. A total of EUR 2.1 billion will be addressed to Southern Neighbourhood countries. While the majority of these funds are delivered to the national authorities, with LRAs benefiting from them in an indirect way, Twinning can be used for co-financing in kind as part of the multiannual indicative programmes (MIP) 2021-2027 programming outlook (see more on Twinning in Chapter 2 below).

2. EU financial assistance available to local and regional authorities in Mediterranean partner countries

Regional (geographic) programmes

Geographic programmes will focus on good governance, democracy and rule of law promotion; human rights, poverty eradication, the fight against inequalities, and human development; migration and mobility; environment and climate change; inclusive and sustainable growth and decent employment; and security, stability, and peace. Additionally, European Neighbourhood Partnership (ENP) countries will be eligible for some additional support for the implementation of association agreements, the promotion of people-to-people contacts, support for regional cooperation and progressive integration into the Union’s internal market, and enhanced sectoral and cross-sectoral cooperation, among others.

Example of a project successfully funded in a Mediterranean partner country: Libya, Morocco, Tunisia, Jordan, Lebanon, Palestine

*Mediterranean City-to-City Migration Project (MC2CM)*

**Beneficiaries:** 22 cities including Amman, Beirut, Casablanca, Oujda, Rabat, Ramallah, Sfax, Sousse, Tangier, and Tunis

**Duration:** July 2018-March 2021 (Phase II)

**Description:** The main goal of the project was to foster dialogue among a wide variety of stakeholders on migration on urban level and, as a result, improve the situation of migrants and their access to relevant services in the participating cities.

For more information see: [https://www.icmpd.org/our-work/projects/mediterranean-city-to-city-migration-mc2cm](https://www.icmpd.org/our-work/projects/mediterranean-city-to-city-migration-mc2cm)
Cross-Border Cooperation Programme

European CBC was designed to support cooperation between bordering regions from at least two different countries and aims to tackle mutually agreed upon common challenges in order to reinforce the regions’ steady growth potential, while enhancing the cooperation process for the purposes of the overall development of the EU and its neighbourhood\(^\text{10}\)). Projects from the previous round of financing focused on capitalisation and the facilitation of the socio-economic recovery of the Mediterranean region commenced in 2020 and will continue until 2022/2023\(^\text{11}\).

Under NDICI, the current programmes are to be divided into two groups:

- “Interreg Neighbourhood CBC programmes” available to EU Member States and EU partner countries that share land borders with the EU;
- Maritime cooperation programmes, available to countries around the sea-basins surrounding the EU.

As of July 2020, over EUR 7 million was still available in the form of sub-grants, with more opportunities expected to become available over the duration of the programme in the fields of business creation, tourism diversification, social inclusion, innovation, and the environment. See more: https://www.enicbcmed.eu/index.php/opportunities

Contact point:
https://www.enicbcmed.eu/index.php/contacts

Switching to more sustainable consumption and production in the Mediterranean (SwitchMed II)

This programme is built on SwitchMed I results and experiences. It consists of providing tools and services to the private sector, supporting an enabling policy environment, and facilitating the exchange of information among project partners and institutions. This will ultimately lead towards a green economy, including low-emission development. The initiative is implemented by the United Nations Industrial Development Organisation (UNIDO), the UN Environment’s Economy Division, and the UN Environment Mediterranean Action Plan and its Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC)\(^\text{12}\).

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\(^{10}\) https://www.enicbcmed.eu/about-us

\(^{11}\) http://www.enicbcmed.eu/projects/funded-projects

\(^{12}\) https://switchmed.eu/
The programme’s overall objective is to stimulate new business opportunities and decent employment while reducing the environmental impact of existing consumption and production activities.

The budget available between 2019 and 2022 is at least EUR 16.4 million.

Contact point:
networking.switchmed@scprac.org
https://switchmed.eu/about-us/

The MENA-OECD Initiative on Governance and Competitiveness for Development

This initiative provides a know-how exchange platform between the Organisation for Economic Co-operation and Development (OECD) and the Middle East and North Africa (MENA) countries to stimulate sustainable and inclusive growth across the region. Specific priorities, including women and youth empowerment, through the creation of jobs and their participation in public life, are also covered. Targeted actions are inspired by proven work methods of policy dialogue and reform implementation processes. The fifth mandate of this initiative has been renewed for 2021-2025 with enhanced strategic orientations. The MENA-OECD Competitiveness Programme is a strategic partnership between MENA and OECD economies to share knowledge, expertise, and good practices.

The MENA-OECD Competitiveness Programme fosters cooperation between national governments, LRAs, CSOs, national and international organisations, and the private sector to support sustainable growth in the countries at stake and improve the livelihoods of their citizens. This component also supports reforms aiming at promoting entrepreneurial culture, mobilising all types of investments, and private sector development.

The MENA-OECD Governance Programme component offers support to LRAs in becoming “transparent, accountable, and accessible” and empowering them for the benefit of their local communities. Under the regional meeting, trainings, workshops, and seminars are organised regularly, and analytical reports are published.

14 [https://www.oecd.org/mena/competitiveness/](https://www.oecd.org/mena/competitiveness/)
Additionally, in order to train civil servants from the target countries, in September 2012, the MENA-OECD Governance Programme Centre of Caserta was established with the help of the Italian National School of Administration (SNA). The initiative was developed to ensure good governance and to implement best practices across the public sector\(^\text{16}\).

**Contact point:**

MENA.Competitiveness@oecd.org
https://www.oecd.org/nea/competitiveness/

<table>
<thead>
<tr>
<th>Example of a project successfully funded in a Mediterranean partner country: Tunisia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Open Government Review of the municipalities of La Marsa, Sayada and Sfax</strong></td>
</tr>
<tr>
<td><strong>Beneficiaries:</strong> municipalities of La Marsa, Sayada, and Sfax</td>
</tr>
<tr>
<td><strong>Description:</strong> The review contributed to the implementation of decentralisation processes in Tunisia and the implementation of the principles of a participatory democracy and open governance by virtue of engaging a variety of stakeholders in discussion on local governance during a workshop organised on 13 March 2019. The review was part of the Open Government at a Regional level project realised in Jordan, Lebanon, Tunisia, and Morocco.</td>
</tr>
<tr>
<td>For more information see:</td>
</tr>
</tbody>
</table>

**EU Regional Trust Fund in Response to the Syrian Crisis (the “Madad Fund”)**

Established in December 2014 in response to the ongoing refugee crisis in the Mediterranean region caused by the civil war in Syria, the Madad Fund focuses on supporting projects in the fields of education, health, water and waste infrastructure, livelihood, and socio-economic support conducted for the benefit of Syrian refugees residing in their neighbouring countries. While LRAs from Mediterranean partner countries are eligible to take part in the action calls of the programme, as of 1 September 2021, they have not been partners to any of the 105 awarded projects conducted thus far\(^\text{17}\).

With contributions and pledges from 21 EU Member States, the United Kingdom, and Turkey, as well as contributions from various EU instruments, the Fund has reached a total volume of around EUR 2.3 billion\(^\text{18}\).

\(^{16}\) http://www.oecd.org/nea/governance/about/nea-oecdgovernanceprogramme.htm

\(^{17}\) https://ec.europa.eu/trustfund-syria-region/document/download/91f337c8-1c35-4194-b2b3-226bd13315f1_en

\(^{18}\) https://ec.europa.eu/trustfund-syria-region/content/state-play_en
Contact point:

NEAR-EUTF-SYRIA@ec.europa.eu

The EU Emergency Trust Fund for Africa (EUTF for Africa)

The EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa (EUTF for Africa)\(^\text{19}\) has been set to solve the issues related to migration from three regions covered by the fund (Horn of Africa, North of Africa, and Sahel and Lake Chad). This holistic approach to tackling irregular migration, forced displacement, and migration caused by environmental changes, among others, is implemented by a number of partners. Apart from the EU and its MS, private sector actors as well as different CSOs and UN agencies are actively involved thus far.

The objectives vary depending on the region at stake; however, some indicators of success are common. The fund focuses on projects related to conflict prevention and reduction; economic growth and job creation; improved migration management; and the strengthened resilience of the most vulnerable societal groups\(^\text{20}\).

Current (as of September 2021) resources amount to EUR 5.0 billion (EUR 4.4 billion from EU resources plus an additional EUR 620 million from MS, Switzerland\(^\text{21}\), and Norway). Given its nature, the fund’s budget is updated on a regular basis.

Contact points:

Sahel and Lake Chad region of the EU Emergency Trust Fund for Africa: INTPA-EUTF-SAHEL@ec.europa.eu

Horn of Africa region of the EU Emergency Trust Fund for Africa: INTPA-EUTF-HOA@ec.europa.eu

EU Emergency Trust Fund for Africa: INTPA-EUTF-AFRICA@ec.europa.eu

\(^{19}\) [https://ec.europa.eu/trustfundforafrica/content/about_en](https://ec.europa.eu/trustfundforafrica/content/about_en)


\(^{21}\) [https://ec.europa.eu/trustfundforafrica/content/trust-fund-financials_en](https://ec.europa.eu/trustfundforafrica/content/trust-fund-financials_en)
**Bilateral programmes**

Bilateral assistance is offered to Mediterranean partner countries in the framework of the ENP through the NDICI.

Single Support Frameworks, outlining the details of bilateral programmes, are available for Algeria, Egypt, Jordan, Lebanon, Morocco, and Tunisia. For Palestine, the European Joint Strategy in support of Palestine for the period 2017-2020 was adopted. For Morocco, a Joint political declaration for a “Euro-Moroccan Partnership for Shared Prosperity” was adopted at the end of the 14th meeting of the Morocco-EU Association Council in 2019; however, the new strategic priorities are expected to be defined.22

The *New Agenda for the Mediterranean* will inform the preparation of bilateral political frameworks jointly agreed with the partners and the multi-annual programming under the NDICI for the period 2021-2027, building on consultations with partner countries and other relevant stakeholders. EU Delegations will be instrumental in facilitating this process.23

**Thematic (geographic) programmes**

A number of thematic actions from the previous programming under NDICI – Global Europe will instead be covered under geographic programmes. The remaining thematic actions should be complementary to the geographic actions and should address global and trans-regional initiatives supporting internationally agreed goals such as the Sustainable Development Goals or global public goods and challenges. The thematic actions would only be undertaken where there is no geographic programme (to ensure no overlaps), where there is no agreement on the action with the partner country concerned, or where the action cannot be adequately addressed by geographic programmes.

In particular, actions under the thematic component should address actions linked to the pursuit of the Sustainable Development Goals at the global level in the following areas:

(i) human rights and democracy;
(ii) civil society organisations (including actions formerly covered by EIDHR and the CSO part of the CSOs/Local Authorities programme);
(iii) peace, stability, and conflict prevention;

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(iv) global challenges, for issues such as “health, education, empowering women and children, migration and forced displacement, inclusive growth, decent work, social protection, food security and local authorities”\textsuperscript{24}.

\textit{Instrument contributing to Stability and Peace (IcSP)}

Outlook for the 2021-2027 period

Under the new MFF and as proposed by a Regulation of the European Parliament and the Council, the current activities of the IcSP will be continued under NDICI – Global Europe. According to the proposal, actions currently under Article 3 (Assistance in response to situations of crisis or emerging crisis to prevent conflicts) will be financed under the envelope “Rapid Response Actions” (Art. 6.c of the NDICI), while actions under Articles 4 (Assistance for conflict prevention, peace building, and crisis preparedness) and 5 (Assistance to address global and trans-regional threats) will be financed under the Envelope “Thematic Programmes – Stability and Peace” (Art. 6.b of the NDICI).

\textit{Creative Europe}

Creative Europe supports cooperation in the cultural creative and audio-visual sectors with a higher-than-ever budget of EUR 2.44 billion\textsuperscript{25}. Funding is available under three strands: culture, media, and a cross-sectoral strand. A list of the opportunities for each strand can be found on the Creative Europe website \url{https://ec.europa.eu/culture/funding-creative-europe/about-creative-europe-programme}. Thus far, Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, and Palestine have expressed interest in participating in the Creative Europe Programme\textsuperscript{26}. In 2021, only Tunisian entities are eligible to participate in the programme (subject to signing a participation agreement)\textsuperscript{27}.

\textit{Contact points}\textsuperscript{28}:

Creative Europe Desks \url{https://ec.europa.eu/culture/resources/creative-europe-desks}

\textsuperscript{24} \url{https://ec.europa.eu/international-partnerships/system/files/factsheet-global-europe-ndici-june-2021_en.pdf}
\textsuperscript{25} \url{https://ec.europa.eu/programmes/creative-europe/about_en}
\textsuperscript{26} For updates, see: \url{https://ec.europa.eu/culture/funding-creative-europe/about-creative-europe-programme}
\textsuperscript{27} \url{https://ec.europa.eu/culture/sites/default/files/2021-05/creative-europe-2021-work-programme-c2021-3563_WP.pdf}
\textsuperscript{28} See all country Contact Desks at \url{https://ec.europa.eu/programmes/creative-europe/contact_it}
Erasmus+

With EUR 2.26 billion for the 2021-2027 Multiannual Financial Framework (out of which EUR 2.2 billion comes from NDICI-Europe and IPA-III\(^29\)), the Erasmus+ programme is the EU’s largest programme supporting the mobility of learners and staff in the fields of education, training, youth, and sport. Southern Mediterranean partners can participate, falling into the Region 3 category (with the exception of Mauritania, which falls under Region 11). As partner countries, they can only take part in select programme actions, subject to specific criteria or conditions.


Contact points:

An up-to-date list of National Agencies and national Erasmus+ Offices is available here [https://ec.europa.eu/programmes/erasmus-plus/contact_en](https://ec.europa.eu/programmes/erasmus-plus/contact_en).

Horizon Europe

Horizon Europe is the EU’s most ambitious research and innovation programme to-date, with around EUR 95.5 billion of funding available over seven years between 2021 and 2027, a 30% increase compared to the former MFF. This large financial allocation will secure innovative and ground-breaking research\(^30\). As of June 2021, three Mediterranean partner countries – Israel, Morocco, and Tunisia – formally expressed interest in becoming associated with Horizon Europe\(^31\) (Israel and Tunisia were associated countries in H2020).

Additionally, up until 2020, Horizon 2020 funding (in the sum of EUR 220 million) has contributed to the financing of the Partnership for Research and Innovation in the Mediterranean Area (PRIMA)\(^32\), the most ambitious joint programme to be undertaken in the framework of Euro-Mediterranean


\(^{32}\) [http://prima-med.org/](http://prima-med.org/)
cooperation. PRIMA runs through 2028 and consists of 19 Participating States (PS): Algeria, Croatia, Cyprus, Egypt, France, Germany, Greece, Israel, Italy, Jordan, Lebanon, Luxembourg, Malta, Morocco, Portugal, Slovenia, Spain, Tunisia, and Turkey. The programme is currently working at all levels to stay in the context of Horizon Europe from 2021 and is waiting on EU Commission approval.

By offering funding through competitive calls, the programme aims to build research and innovation capacities to develop common sustainable, efficient, and resilient solutions for agro-food systems and for integrated water provision and management in the Mediterranean area. Examples of projects selected for funding are available at: https://prima-med.org/wp-content/uploads/2021/01/RESULTS-OF-THE-CALL-PRIMA-SECTION-2-STAGE-2-2020-MULTITOPIC-1.pdf.

General rules for 2021 and open calls, as well as materials from the 2021 info day, are available on the PRIMA website (https://prima-med.org/). The maximum budget for each project (EUR 2-4 million) depends on the call, and the duration usually is 3-4 years.

**Contact points:**
An up-to-date list of national contact points is available at http://ec.europa.eu/research/participants/portal/desktop/en/support/national_contact_points.html.
PRIMA:+34 930190823, website administrator: administrator@prima-med.org

<table>
<thead>
<tr>
<th>Example of a project successfully funded in a Mediterranean partner country: Israel</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>M</strong>A<em>xi</em>ming the UPscaling and replication potential of high-level urban transformation strategies (MAtchUP)</td>
</tr>
<tr>
<td>EU contribution: EUR 17.4 million</td>
</tr>
<tr>
<td>Beneficiaries: Herzliya Municipality, among others</td>
</tr>
<tr>
<td>Description: This intervention, launched in October 2017, aims at tackling the microplastics problem and its impact on human health and the environment through the identification and selection of enzymatic processes on non-recycled plastic to obtain high value-added products. The project will increase the sustainability of non-recycled plastic waste within the framework of a circular economy.</td>
</tr>
<tr>
<td>For more information see:</td>
</tr>
<tr>
<td><a href="https://www.matchup-project.eu/">https://www.matchup-project.eu/</a>; <a href="https://cordis.europa.eu/project/id/774477">https://cordis.europa.eu/project/id/774477</a></td>
</tr>
</tbody>
</table>

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33 https://prima-med.org/orientation-paper-on-prima-2021-calls/
Support for Improvement in Governance and Management (SIGMA)

The Support for Improvement in Governance and Management (SIGMA) is a joint initiative of the EU and the Organisation for Economic Cooperation and Development (OECD), principally financed by the EU. SIGMA was initiated in 1992 and since then it has accumulated 25+ years of experience advising countries in transition on various public policy reforms and developed long-term relationships with several in-country partners. SIGMA relies on experts from EU national public administrations and provides practitioner-to-practitioner support within projects of great flexibility in terms of design and implementation. It also supports and oftentimes complements other EU institution building instruments. During 2021, SIGMA has been helping administrations in the partner countries to respond effectively and efficiently to the crisis. It also works with individual countries on mutually agreed priorities, which, for many of the Mediterranean partner countries, have been set for the period until June 2022.

Contact point:
SIGMA Office: +33 (0)1 45 24 82 00
sigmaweb@oecd.org

TAIEX

TAIEX is the Technical Assistance and Information Exchange instrument of the European Commission. It is a demand-driven tool offering peer-to-peer technical assistance and policy support from experts in EU Member States to the beneficiary countries. The TAIEX mandate covers, among others, all those covered by the ENP (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, and Tunisia). The technical assistance targets, among others, public administrations. It provides the following types of activities: study visits, expert missions, and workshops (single or multi-beneficiary).

Application form:
https://webgate.ec.europa.eu/TMSWebRestrict/resources/js/app/#/applicationform/home

Contact point:
https://ec.europa.eu/neighbourhood-enlargement/tenders/taix_en

34 http://www.sigmaweb.org/countries/
35 Presently, TAIEX does not engage with local beneficiaries in the Southern Neighbourhood countries.
36 http://taiex.ec.europa.eu
**Twinning**

Twinning is a policy-driven platform supporting regular and in-depth cooperation between public administrations in EU Member States and partner countries, including those covered by the ENP (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, and Tunisia). The platform was tasked with providing peer-to-peer support for the transition, implementation, and enforcement of EU legislation. Its main goal is improvement of the capacities of the administrations of partner countries. LRAs can participate in the programme only if they possess a mandated body status.

Calls for proposals and support for applicants:

**Contact point:**
NEAR-TWINNING@ec.europa.eu

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3. Financing through the European Investment Bank

Institutional overview

The European Investment Bank (EIB) focuses on social and economic infrastructure, contributes to the development of the private sector, and supports climate actions. EIB offers the experience and expertise of economists and engineers to assist in the development and realisation of a wide range of projects. In terms of financial assistance, the EIB offers loans with competitive interest rates and grants for further improvement of supported projects. In 2020, the EIB increased the borrowing authorisation by EUR 5 billion and assigned EUR 70 billion to support investment across Europe and around the world.39

Policy context and objectives

In the Southern Mediterranean partner countries, the EIB is mainly operating under the EU External Lending Mandate, which aims at the development of the public and private sectors. Since the beginning of its operations in the region, the EIB has financed nearly 800 projects with a signed amount of EUR 41,256 billion40. In 2019 alone, the EIB supported 21 projects worth EUR 1.79 billion in the region. Thanks to these projects, over 83 thousand jobs were sustained, public transport was improved, nearly a quarter million households gained access to clean electricity, and 680 thousand people gained access to improved sanitation.41 Moreover, throughout the COVID-19 pandemic, the EIB has provided emergency support to the region in order to support a faster recovery of their economies.

40 https://www.eib.org/en/projects/loans/index.htm?q=&sortColumn=loanParts.loanPartStatus.statusDate&sortDir=desc&pageNumber=0&itemPerPage=25&pageable=true&language=EN&defaultLanguage=EN&loanPartYearFrom=1959&loanPartYearTo=2021&countries.region=5&orCountries=true&orCountries=true&orSectors=true
Support instruments available

The EIB offers lending, blending, and advisory services to public and private sector representatives. Lending is by far the EIB’s principal activity, consisting of 90% of its total financial commitment. At the same time, the EIB stays committed to financially supporting investment projects presented by other partners and private and public promoters, including LRAs. This is reflected in loans that might be individual, multi-sector, and multi-component. The EIB also provides guarantees (trade financing) and equity participation (investment funds) to meet all the client’s and partner’s expectations.

For investments in the public sector, lending is possible to national, regional, and local authorities as well as to public enterprises or institutions. Loans can be made either directly to the relevant authority or indirectly as a credit line which the EIB channels to LRAs for infrastructure investment, for instance in partnership with a national ministry or a local intermediary financial institution. All loans must reflect the EU and EIB’s priorities.

Economic Resilience Initiative

Since its launch in 2016, EUR 5.65 billion was invested in over 60 projects in the Southern Neighbourhood (as well as the Western Balkans) in order to assist countries in the region facing challenges such as economic recession, forced displacement, and crises of a political or environmental nature. Thanks to financing from the EC, EU Member States, and other partners, loans, blending funds, and other financial instruments are offered to both the public and private sectors.

Neighbourhood Investment Platform (NIP)

The NIP (previously Neighbourhood Investment Facility) is a facility that combines EU financial instruments and grant contributions with other public and private resources (e.g., equity and loans) in order to provide additional financial assistance on top of technical assistance.

The NIP supports initiatives under the following objectives:

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- developing more sustainable connections between EU Member States and neighbourhood countries in energy and transport, improving energy efficiency, promoting renewable energy sources, and improving energy security through diversifying energy supplies;
- managing climate change and threats to the environment;
- creating sustainable and smart growth, including municipal infrastructure development, by supporting SMEs and the social sector.

Public authorities from the Southern Mediterranean partner countries can apply to the EIB for loans either above or below the EUR 25 million threshold.


Contact point:

Public authorities wishing to obtain a loan from the EIB should contact:
- EIB local offices for loans over EUR 25 million https://www.eib.org/en/infocentre/contact/offices/index.htm
- EIB local partners for loans below EUR 25 million https://www.eib.org/intermediarieslist/search/index
Information desk: https://www.eib.org/en/infocentre/contact-form.htm

The Global Concessional Financing Facility (GCFF)

The GCFF is an international effort launched in 2016 by the UN, the Islamic Development Bank, and the World Bank to provide assistance to Jordan and Lebanon in dealing with the implications of the refugee crisis. The EBRD and EIB are non-decision-making observers to the GCFF Steering Committee and the EU alongside four MS (Denmark, Germany, the Netherlands, and Sweden) and five other countries are donors to the programme.

As of mid-2020, USD 154.6 was provided to Lebanon in concessional financing for four projects: Roads and Employment, Greater Beirut Public Transport, the Municipal Investment Program, and Health Resilience. Jordan, in turn, received USD 393 million in concessional financing for the implementation of eight projects: Economic Opportunities for Jordanians and Syrian Refugees, the Jordan First Equitable Growth and Job Creation DPL, Jordan Youth, Technology and Jobs, Ain Ghazal Wastewater, the Jordan Second Programmatic Energy and Water DPL, Jordan West Irbid Wastewater, Jordan Emergency Health, and the Jordan Education Reform Program.
LRAs are indirect beneficiaries of the funds, which are awarded to the central governments. To find out more about the application process see: https://globalcff.org/application/.

4. Financing through the European Bank for Reconstruction and Development

Institutional overview

The European Bank for Reconstruction and Development (EBRD) was created in the early 1990s to support the development of market economies in Central and Eastern European and Central Asian countries after the widespread collapse of their respective communist regimes. Since then, the EBRD has been the region’s major actor in fostering changes related not only to economic transition, but also to environmental and societal ones, investing around 150 billion in more than 6,000 projects.\(^{46}\) The EBRD list of shareholders consists of 69 countries as well as the EU and the EIB.\(^{47}\)

The EBRD supports six economies from among the countries of interest to this report: Egypt, Jordan, Morocco, Tunisia, and – as of 2017 – Lebanon and the West Bank and Gaza.\(^{48}\) In 2020 alone, it invested more than EUR 2.1 billion in the region, up from EUR 1.8 billion in 2019 – with 35% of 2020 investments in the energy and infrastructure sectors. This is on top of the technical assistance (including through policy dialogue and capacity building) provided by the EBRD and financed by various donors and stakeholders.

Policy context and objectives

The EBRD’s focus has been on making the economies in the Mediterranean partner countries more competitive and resilient, fostering the expansion of the private sector, and promoting regional integration. In line with the newly adopted Green Economy Transition (GET) strategy 2021-2025, the Bank is helping build green, low carbon, and resilient economies. Through the new GET approach, the EBRD will increase green financing to more than 50% of its annual business volume by 2025. It also aims to reach net annual GHG emission reductions of at least 25 million tonnes over the five-year period. Furthermore, economic inclusion, the opening up of economic opportunities to under-served social groups, is integral to achieving a transition towards sustainable market economies. Through its private sector inclusion model, the EBRD builds inclusion elements directly into its investments across all sectors and regions, creating pathways into

\(^{46}\) [https://www.ebrd.com/who-we-are/history-of-the-ebrd.html](https://www.ebrd.com/who-we-are/history-of-the-ebrd.html)


\(^{48}\) A decision regarding a possible extension of EBRD’s mandate in West Bank and Gaza beyond the initially approved period of 2017-2022 is expected to be made by the EBRD Board in the spring of 2022.
jobs and training for young people, women, and rural populations while addressing challenges in providing basic services for all.

The Bank is specialising in the provision of financial investments and technical and business support and is well-known for its involvement in high-level policy reforms. Financial products span from loans (direct or through financial intermediaries) to equity investments and guarantees to promote trade.

Support instruments available

Within a diversified portfolio of the EBRD’s products and services, LRAs in the Mediterranean partner countries are a major beneficiary from the Bank’s Municipal and Environmental Infrastructure (MEI) sector-oriented loans and grants (technical cooperation grant funds and investment grants).49 EBRD’s MEI strategy supports local governments, municipal utilities and private operators in the delivery of essential services through investments in sustainable infrastructure, notably in water and wastewater, public transport, urban roads and street lighting, solid waste management, district heating and energy efficiency in buildings. EBRD’s partnership with donors is a crucial component of the Bank’s business model. Donor-funded technical cooperation grants promote high standards of project preparation and implementation as well as capacity building and reform initiatives. In certain markets, EBRD also mobilises donor co-financing in the form of investment grants or other concessional instruments to address affordability constraints by reducing the need for extensive tariff increases and/or to attain EU standards more quickly.

Under the Small Business Initiative, the Bank supports small companies which would not be able to invest in the expansion of services or products on their own. As SME development impacts highly on local and regional economies, LRAs are an important stakeholder for many of these actions, but not a direct beneficiary. Similarly, the EBRD’s Finance and Technology Transfer Centre for Climate Change (FINTECC) programme, which supports climate technology transfer in private sector companies in Egypt, Jordan, Lebanon, Morocco, and Tunisia through investment grants and technical support, has a direct impact on the cities and regions where corporate clients are based.50 Additionally, within the FINTECC programme, the EBRD (with the support of the Korean government) provides support to Morocco’s National Agency for Energy Efficiency (AMEE) in the introduction of Minimum Energy Performance Standards (MEPS) and

50 https://fintecc.ebrd.com/region/semed.html
relevant labelling, an effort which is expected to achieve an 8% net savings in electricity consumption in the country over the next 15-20 years.

**Green Cities Programme**

The EBRD Green Cities flagship programme specifically supporting urban climate- and environment-friendly endeavours was launched in 2016. With a budget of EUR 3 billion, it is well-suited to finance not only technical but also significant yet expensive infrastructural projects in: (i) urban transport; (ii) solid waste; (iii) water and wastewater; (iv) energy and buildings; (v) land planning, green space, and biodiversity; as well as cross-sectoral policy areas: (vi) governance and (vii) finance. The Green Cities programme consists of three different components: (i) Green City Action Plans (GCAPs) in which local-specific diagnoses are prepared; (ii) sustainable infrastructure investment where specific project costs are secured; (iii) and capacity building which provides technical support for project implementation. The major aims of the programme are to preserve the environment and local biodiversity, to enable both climate mitigation and adaptation actions, and to ensure that green policies are inclusive for local citizens. All cities with a population of at least 100,000 (cities with a population of 50,000 can be eligible in special cases) from Egypt, Jordan, Lebanon, Morocco, Tunisia, and Palestine are eligible to become part of the network if they are willing to conduct GCAPs. As of 31 August 2021, four cities from the region are participating in the programme: the 6th of October city, Cairo, and Alexandria in Egypt, and Amman in Jordan. In the latter, which was the first city from the region to join the programme, the GCAP was launched in May 2021.

**Examples of recent EBRD Municipal and Environment Infrastructure projects under signing, development, and/or review:**

- **Egypt:** Upgrade of wastewater services in the Egyptian governorate of Fayoum, supported by a EUR 186 investment from the EBRD, a grant of EUR 38 million from the EU, and a loan of EUR 172 million from the EIB. The goal of the project is to build new wastewater treatment plants, expand and rehabilitate some of the existing units, and install new pipes and pumping stations in order to improve sanitation services delivered to the 3 million inhabitants of the Fayoum governorate. The project is part of a broader effort by the EU to support the development of Egypt’s water sector. See more:

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51[https://www.ebrdgreencities.com](https://www.ebrdgreencities.com)
52[https://www.ebrdgreencities.com/eligibility](https://www.ebrdgreencities.com/eligibility)

- **Jordan**: Expansion and upgrade of waste transfer station Al-Shaer in the Greater Amman Municipality in Jordan, made possible thanks to a EUR 3.2 million loan from EBRD and a USD 3.5 million grant from the EBRD Shareholder Special Fund. Additionally, a EUR 3.0 million loan and a EUR 3.0 million grant was extended to Amman for the purchase of 25 street sweepers to support the work of the waste transfer station. The goal of the project is to improve the waste management system in the municipality, which has been put under additional pressure following the arrival of Syrian refugees to Jordan. See more: https://www.ebrd.com/news/2019/ebrd-helps-expand-ammans-waste-transfer-station-and-finances-new-equipment-.html.


*Contact point:*

EBRD Project enquiries: +44 20 7338 7168
or https://www.ebrd.com/enquiries.html


EBRD Country teams:
- **Egypt**: https://www.ebrd.com/egypt.html
- **Jordan**: https://www.ebrd.com/jordan.html
- **Lebanon**: https://www.ebrd.com/lebanon.html
- **Tunisia**: https://www.ebrd.com/tunisia.html
- **Morocco**: https://www.ebrd.com/morocco.html
5. Where to find information about new and upcoming funding opportunities?

When searching for new financing opportunities, it is useful to maintain a list of websites that publish information on upcoming opportunities on regular bases. Signing up for their newsletters and/or following them on social media is the most efficient way of staying informed.

A first step could be to sign up for the European Committee of the Regions newsletter to receive updates on policy updates relevant to LRAs as well as new publications and events: https://cor.europa.eu/en/news/Pages/enewsletter.aspx?utm_source=SharedLink &utm_medium=ShortURL&utm_campaign=newletter-

Delegations of the European Union:

- **Algeria** [https://eeas.europa.eu/delegations/algeria_en](https://eeas.europa.eu/delegations/algeria_en)
  Contact point: [https://eeas.europa.eu/delegations/algeria/area/contacts_en](https://eeas.europa.eu/delegations/algeria/area/contacts_en)
- **Egypt** [https://eeas.europa.eu/delegations/egypt_en](https://eeas.europa.eu/delegations/egypt_en)
  Contact point: [https://eeas.europa.eu/delegations/egypt/area/contacts_en](https://eeas.europa.eu/delegations/egypt/area/contacts_en)
- **Israel** [https://eeas.europa.eu/delegations/israel_en](https://eeas.europa.eu/delegations/israel_en)
  Contact point: [https://eeas.europa.eu/delegations/israel/area/contacts_en](https://eeas.europa.eu/delegations/israel/area/contacts_en)
  Contact point: [https://eeas.europa.eu/delegations/jordan/area/contacts_en](https://eeas.europa.eu/delegations/jordan/area/contacts_en)
- **Lebanon** [https://eeas.europa.eu/delegations/lebanon_en](https://eeas.europa.eu/delegations/lebanon_en)
  Contact point: [https://eeas.europa.eu/delegations/lebanon/area/contacts_en](https://eeas.europa.eu/delegations/lebanon/area/contacts_en)
- **Libya** [https://eeas.europa.eu/delegations/libya_en](https://eeas.europa.eu/delegations/libya_en)
  Contact point: [https://eeas.europa.eu/delegations/libya/area/contacts_en](https://eeas.europa.eu/delegations/libya/area/contacts_en)
- **Mauritania** [https://eeas.europa.eu/delegations/mauritania_en](https://eeas.europa.eu/delegations/mauritania_en)
  Contact point: [https://eeas.europa.eu/delegations/mauritania/area/contacts_en](https://eeas.europa.eu/delegations/mauritania/area/contacts_en)
- **Morocco** [https://eeas.europa.eu/delegations/morocco_en](https://eeas.europa.eu/delegations/morocco_en)
  Contact point: [https://eeas.europa.eu/delegations/morocco/area/contacts_en](https://eeas.europa.eu/delegations/morocco/area/contacts_en)
- **Syria** [https://eeas.europa.eu/delegations/syria_en](https://eeas.europa.eu/delegations/syria_en)
  Contact point: [https://eeas.europa.eu/delegations/syria/area/contacts_en](https://eeas.europa.eu/delegations/syria/area/contacts_en)
- **Tunisia** [https://eeas.europa.eu/delegations/tunisia_en](https://eeas.europa.eu/delegations/tunisia_en)
  Contact point: [https://eeas.europa.eu/delegations/tunisia/area/contacts_en](https://eeas.europa.eu/delegations/tunisia/area/contacts_en)
European Union External Action Service – Middle East and North Africa


EU Neighbours portal

Part of the EU Neighbourhood Communication Programme. 
More information: https://euneighbours.eu/en

The Euro-Mediterranean Regional and Local Assembly – ARLEM

ARLEM is a political forum of LRAs from the EU and its Mediterranean partner countries. The ARLEM secretariat’s facilities and human resources are provided by the European Committee of the Regions. 

PLATFORMA

A coalition of local and regional governments and their associations active in development cooperation.
More information: https://platforma-dev.eu

Covenant of Mayors (CoM)

The 2020 EU Climate and Energy Package – adopted in 2008 – prompted the EC to endorse and support the efforts deployed by LRAs in the implementation of sustainable and energy efficiency (EE) policies by launching the Covenant of Mayors (CoM) initiative. The CoM is a unique bottom-up movement focused on reinforcing wider national efforts in carbon dioxide (CO₂) reduction, which has resulted in a great number of local and regional climate change mitigation projects and green investments. While the CoM does not provide direct financing to the signatory LRAs, the latter can participate in the dedicated peer-learning and twinning programmes⁵⁴ organised by the Covenant.

More information: https://www.eumayors.eu

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Tips & tricks

- Reach out to the LRAs mentioned in the brochure or on the programme websites as participants of successfully implemented projects to learn about their experiences in both applying for and implementing projects;
- Make use of the assistance given by contact points and **do not hesitate to contact your local EU Delegation for information and assistance**
- Take part in events organised by the CoR, EU Delegations, individual programme management teams, and other institutions, such as: info days, brokerage events, and training sessions, among others;
- Read eligibility criteria carefully;
- Be proactive in reaching out to potential partners.

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Created in 1994, the European Committee of the Regions is the EU’s political assembly of 329 regional and local representatives such as regional presidents or city-mayors from all 27 Member States, representing over 446 million Europeans.