

FINANCING CLIMATE ACTION IN MUNICIPALITIES

OPTIONS FOR FINANCING CLIMATE ACTION IN
SMALL AND MEDIUM MUNICIPALITIES
IN ROMANIA

On behalf of:



Federal Ministry
for the Environment, Nature Conservation
and Nuclear Safety

of the Federal Republic of Germany



European
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The information and views set out in this study are those of the author(s) and do not necessarily reflect the official opinion of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety.

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European
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ENERGYCITIES



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Introduction

Bridging European and Local Climate Action (BEACON) promotes climate action and facilitates exchange between national governments, municipalities, and schools in six European countries. The project aims to strengthen the bilateral and multilateral cooperation and create a shared ambition to achieve the Paris Agreement. Through joint learning, networking, and tailored counselling services, policymakers, municipal actors, and educators acquire technical and process-related skills that help them develop, refine, and implement greenhouse gas (GHG) emissions reduction measures.

A special focus of the BEACON project is on local climate action; 25 municipalities in the Czech Republic, Romania, Greece, Poland, and Portugal benefit from technical assistance and on-the-job training for the transfer of good practices and their successful implementation in their local context.

In addition to raising awareness at the local level and the readiness to implement climate action measures, the necessary funding is an important factor. In general, there is a wide range of options—from EU, national, and international funds to energy service company (ESCO) schemes or community funding.

In particular, EU funding under the cohesion policy plays an important role in investment in public infrastructure in most countries in central, eastern, and southern Europe. However, these support tools and programmes are adapted differently depending on the country, the existing framework, the capacities and competences, and the structure of the local authorities. The EU is pursuing climate neutrality by 2050 to meet its commitments under the Paris Agreement.

The EU budget for 2021-2027 is expected to be a driving force for climate neutrality, in particular in the areas of renewable energy, energy efficiency, and sustainable transport.

Through NextGenerationEU (NGEU) and the increased 30% climate mainstreaming target, spending on climate action programmes will more than double compared to the previous EU budget.

The BEACON municipalities have repeatedly cited the lack of funding and difficulty accessing adequate funding as one of the main obstacles to the implementation of climate change mitigation measures. Specifically, the following concerns and questions were expressed during the project:

- What are the main EU funding opportunities, including deadlines and specifications?
- What is already known about the objective and what is the impact of the Multiannual Financial Framework 2021-2027 on (large) municipal investments?

Some municipalities have postponed decisions until there is more clarity on the new conditions. Funding procedures are often complex (including for national funds), and municipalities have limited funds of their own.

In some countries (Greece, Romania), the financial and economic crisis of 2008 continues to affect municipal and private households. Most municipalities have already used EU structural funds through their respective regional operational programmes (OP), but not at a satisfactory amount or in the most strategic way.

Many municipalities tend to prioritise climate change measures based on known availability of funding rather than on their priority needs.

In general, grants with a high funding rate are preferred to minimise the risks borne by municipalities. More innovative financing instruments are either unknown or considered inadequate in terms of design or are considered too risky.

Municipal personnel often lack the skills to assess the banking capacity of potential investments, and offers from investment or development banks are often considered unsuitable for smaller municipalities.

Purpose of this study

This work aims to analyse the funding possibilities for municipal climate action in Romania to create the basis for better strategic financial planning and project development in municipalities.

As financial programmes and funds differ from country to country, the study critically assessed the various options—especially EU funding opportunities—and focused on what is available and relevant to small and medium-sized municipalities (28,000-120,000 inhabitants) in Romania.

Methodology

The starting point is the specific needs and experiences of municipalities, the applicability of innovative financial instruments, the use of national and EU funds, and the structural configuration of municipalities to rely effectively on these financial resources.

The target group of the analysis consists of small and medium municipalities. This report supports them in accessing funding for actions to combat climate change contained in local action plans.

The aim of the study is to highlight options to finance climate actions, in particular the implementation of projects aimed at renewable energies, energy efficiency in buildings, and investments in sustainable infrastructure. This includes governance (e.g. climate strategy development), energy, heating/cooling sector (energy efficiency, renewable energy sources (RES) electricity generation, RES heating/cooling), sustainable mobility (Sustainable Urban Mobility Plans (SUMP), e-mobility, public transport, cycling and walking, inter-modality, municipal mobility management), sustainable urban planning, and waste management.

Other associated topics are biodiversity, circular economy, agriculture, and other forms of environmental protection. These are not a central point of this study but have been analysed where funding is available.

This report covers the following:

1. Brief introduction: Purpose and scope of the analysis.
2. Overview and analysis of the specific needs and challenges of financing local climate action measures, including the plans mentioned in the 2021-2030 Integrated National Energy and Climate Plan (NECP).
3. Available financial framework:
 - 3.1 What funding schemes (European, national, local) are available for local climate actions in small and medium-sized municipalities in Romania? What can municipalities finance through them?
 - 3.2 What are the key conditions of the application?
 - 3.3 What opportunities are there for stakeholders to participate in the development of funding priorities or to contact relevant organisations?
4. What other financing concepts are possible and can be applied at the local level? —e.g. combination of public and private funds; crowdfunding; ESCO schemes; loans through the European Investment Bank (EIB), European Bank for Reconstruction and Development (EBRD), and Council of Europe Development Bank (CEB); and green bonds—including examples of leading practices from small and medium-sized municipalities in the country
5. Recommendations and sources of official information

The study used the office research methodology, analysing public information from the official communication channels of the main national and European entities responsible for public policies on the challenges posed by climate change and that manage available funding sources. Office research is based on collecting and identifying relevant secondary information from programme and project documents, as well as other available secondary sources, including research and evaluations already existing on the subject, websites, promotional materials, monitoring systems, available statistics, etc.

Needs analysis

Climate change and environmental degradation are two of the world's most serious threats, and the 2030 Agenda for Sustainable Development promotes the balance between the three dimensions of sustainable development: economic, social, and environmental. The 2030 Agenda is linked to the European Green Deal, which defines the EU's development strategy as the first climate-neutral continent by 2050. The European Green Deal aims at reducing GHG emissions to zero by 2050, reduce pollution, and restore biodiversity.

Romania is among the countries with the lowest GHG emissions per capita in the EU; however, in relation to the indicator of tons of emissions/€10,000 GDP, Romania ranks among the top in the EU.

According to the latest Country Report, the main sector that causes air pollution in Romania remains the **energy sector**. In 2017, the share of RES in total energy consumption was 24.5%, and the energy sector contributed 30% of total GHG emissions, on top of which are added wastewater emissions and waste production. The high value of GHG emissions in the energy sector is also due to the fact that the energy production also relies on

coal. **The agricultural sector** represents 17% of total GHG emissions and the transport sector 16.6% this being below the European average.

Regarding the share of **renewable energy**, Romania has proposed through the NECP that the share of energy from RES will reach at least 30.7% in 2030, having 25.2% (in 2022), 26.9% (in 2025), and 28.4% (in 2028) as intermediate targets. To reach these targets, the plan foresees the development of 6.9 GW of additional renewable energy capacity by 2030, compared to 2015, coupled with the decommissioning of coal power capacities.

In conjunction with GHG reduction measures, it is necessary to restructure energy and home heating systems (by facilitating district heating and pollution control, switching to natural gas, and integrating renewable energy sources), but also to implement measures for the improvement of traffic management, to modernise sustainable transport. Other pollution control and prevention measures are also needed to significantly contribute to tackling the problem of air quality and reducing GHG emissions.

From the perspective of achieving climate and energy targets, according to the EU Renovation Wave strategy, **buildings** are responsible for approximately 40% of the EU's total energy consumption and 36% of its GHGs, respectively. Another relevant aspect is the age of the European buildings stock and that it needs to be adapted to the new standards of energy efficiency, resilience to climate change, fire and earthquake safety, and quality of life.

If buildings and their services represent 40% of the total energy consumption in the EU, in Romania, the percentage rises to 45% in the household and tertiary sectors (offices, commercial spaces, and other non-residential buildings). This means there are approximately 5.6 million buildings with 644 million square metres of heated usable area.

Residential buildings represent 90% of the entire building stock, 582 million square metres, and non-residential buildings constitute the remaining 10%, or approximately 62 million square metres. Among residential buildings, single-family dwellings represent the largest share, holding about 58% of the total, followed by multifamily buildings, with about 33%.

Public buildings represent 5% of the national buildings stock, including public service buildings for health, justice, and national security.

An important part of the existing buildings stock consists of buildings with cultural value, likely to be classified as historical monuments or forming protected built areas.

Within its NECP, Romania aims to reach a primary energy consumption of 32.3 Mtoe in 2030, respectively a final energy consumption of 25.7 Mtoe.

In addition to the production of significant amounts of CO₂ in energy, transport, and agriculture, the natural carbon sequestration capacity is reduced because of the intensive exploitation of forests in Romania. The exploitation also has negative effects on the capacity to mitigate climate change and air quality, increasing disaster risks and affecting ecosystems, habitats, and species conservation. According to the Country Report (2020), the intensive exploitation of Romanian forests has led to an economic loss of approximately €6 billion /year, and the effect on the environment is also reflected at European level. The forest and wooded areas in Romania have a CO₂ absorption capacity of 6% of their total at EU level.

Currently, there is a major discrepancy between the current degree of coverage of Romanian territory with forests (29%) and the optimal percentage of afforestation (40%) established by the National Sustainable

Development Strategy (1999) and supported by the Romanian Academy in 2016. Correlated with the forest stock, biodiversity loss and ecosystem collapse are additional threats of climate change and environmental degradation.

The **Biodiversity Strategy 2030** that Romania must implement promotes nature conservation using the development of the Natura 2000 network of protected areas as a main tool. Only 300 management plans are approved for Natura 2000 sites (for 215 Sites of Community Importance - SCIs and 85 Sites Protecting Aquaculture - SPAs); 606 plans are needed to cover the entire network, which means that only 49.5% of Natura 2000 sites have management plans.

As a result of climate change and the excessive exploitation of forests, Romania is facing significant amounts of floodplains (13% of the country's surface). In Romania, a higher frequency of extreme weather events have occurred in the last period, including the last two decades being affected by floods of river basins and coastal areas, as well as severe droughts.

The economic and social effects of these phenomena must not be neglected. According to the Country Report (2020), in the 2002-2012 period, Romania was among the EU countries with the highest number of deaths caused by floods and the most damaged homes, with total direct costs estimated at €3.6 billion.

Another area impacting environmental degradation is related to the connection of the drinking water supply system with wastewater collection and treatment. Preventing and reducing waste generation, efficient use of resources, reuse, repair, and recycling are another national priority.

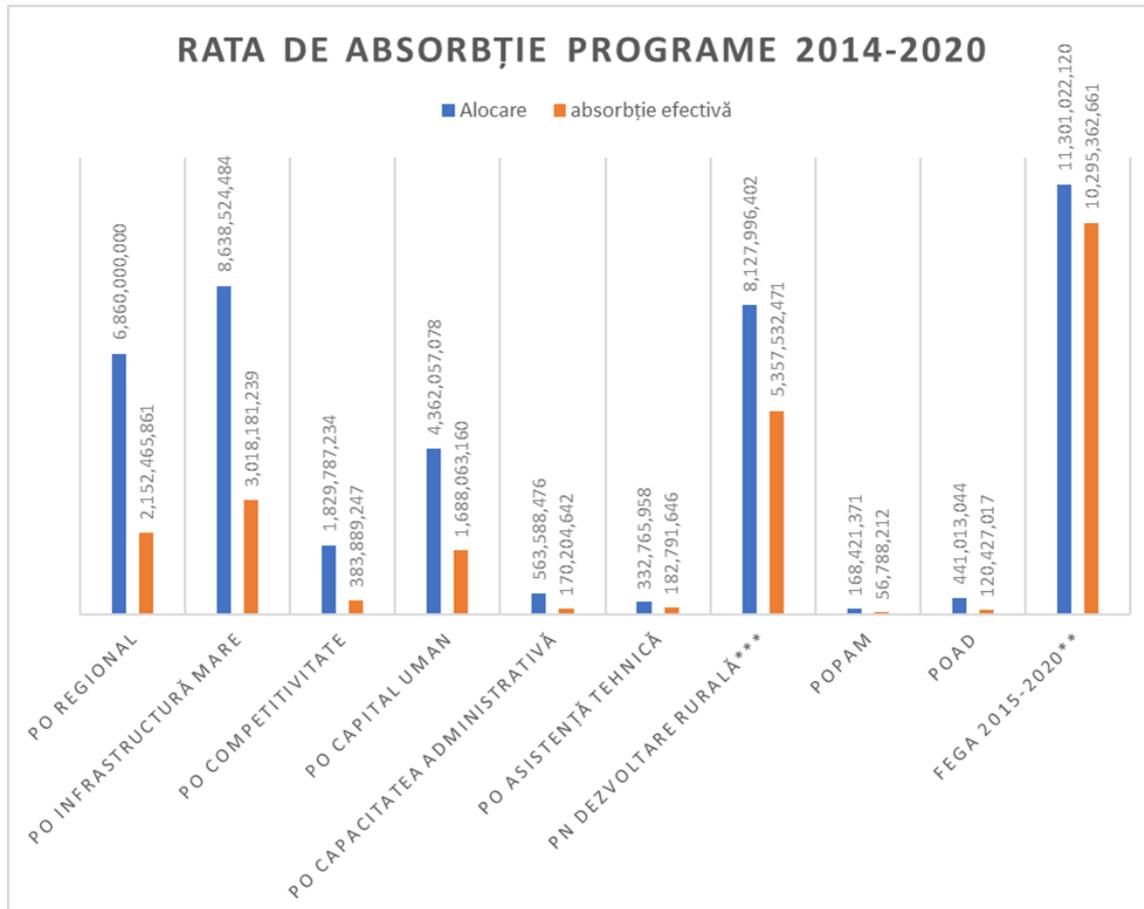
The Country Report (2020) states that waste management continues to be a major challenge for Romania given the low recycling rate of municipal waste (14%) and the high rates of waste disposal (70%). Recycling rates have stagnated since 2013, and the incineration rate has increased insignificantly to 4%. In 2017, the amount of municipal waste generated per capita in Romania was well below the EU average of approximately 487 kg/inhabitant. Stimulating the **circular economy** will help achieve the assumed goal that by 2035, the volume of municipal waste stored in landfills will be reduced to a maximum of 10% of the total volume of municipal waste generated.

According to the EU Climate Change Adaptation Strategy (2013), sectors requiring adaptation measures include water resources and flood protection, forestry, energy, biodiversity, industry, agriculture, fisheries, transport, construction and infrastructure, tourism, public health, education, insurance, and recreation.

Recent developments have shown that **the transport sector** is not only a vector of support for other areas, but it also contributes to aspects of economic resilience and the potential for accelerated recovery from events with a significant negative impact. **Green urban mobility**, based on a carbon-free means of transport, contributes to achieving GHG emissions targets by reducing traffic congestion and road accidents.

Financial framework 2014-2020

The following chart shows that the absorption rate of European funds is generally very low (from the website of the Ministry of Investment and European Projects, <http://gov.mfe.ro>):



What are the causes of this low level of absorption?

- Lack of knowledge about climate change financing options
- Insufficient administrative capacity, lack of expertise, and insufficient technical knowledge
- Budgetary (lack of co-financing) and regulation constraints
- Difficulties in ensuring the bankability of potential investments
- Political constraints
- Challenges in meeting the requirements of EU funds from all phases of the project (preparation, financing, implementation, reception of works, monitoring/reporting)
- Unpredictability of project calls (rare calls with a short opening period)

It is not certain that the remaining non-contracted amounts can be entered in future calls for projects. (source: <http://gov.mfe.ro>).

Financing climate change mitigation measures

A1. Regional Operational Programme 2021-2027

A major source of funding for local and county authorities for the next period is represented by the regional operational programmes (ROPs), which are organised by development regions:

| ROP | Component counties of the development region |
|---|---|
| Bucharest-Ilfov Regional Operational Programme | Bucharest and Ilfov |
| Centre Regional Operational Programme | Alba, Braşov, Covasna, Harghita, Mureş, Sibiu |
| North-East Regional Operational Programme | Bacău, Botoşani, Iaşi, Neamţ, Suceava, Vaslui |
| North-West Regional Operational Programme | Bihor, Satu-Mare, Maramureş, Cluj, Sălaj și Bistrița-Năsăud |
| South-East Regional Operational Programme | Brăila, Buzău, Constanța, Galați, Tulcea, Vrancea |
| South-Muntenia Regional Operational Programme | Argeş, Prahova, Dâmbovița, Teleorman, Giurgiu, Ialomița, Călărași |
| South-West Oltenia Regional Operational Programme | Dolj, Gorj, Mehedinți, Olt and Vâlcea |
| Western Region Regional Operational Programme | Timiș, Arad, Caraș-Severin, Hunedoara |

Beneficiaries of ROPs include enterprises, universities, clusters, incubators, accelerators, local public institutions, administrative-territorial units (ATUs), research and development organisations, and regional development agencies (RDAs).

ROPs are organised on **priority axes for funding**, which have **specific objectives or types of actions** (depending on the region). **To be eligible for funding from operational programmes, projects must contribute to the achievement of the specific objectives under which they fall.**

| Budget allocation ROP 2021-2027 by objective | |
|--|------------------------|
| Competitive region through innovation, digitalisation, and dynamic enterprises | 20% (€2,393 billion) |
| Region with smart cities | 10% (€1,2 billion) |
| Region with environmentally friendly cities | 37% (€4,3 billion) |
| Accessible region | 13% (€1,53 billion) |
| Educated region | 7.2 % (€828,6 million) |
| Attractive region | 6.9% (€798,1 million) |
| Technical assistance | 4% (€450 million) |

In short, projects can be funded through ROPs through the following priority **axes**:

- **Green infrastructure**: Priority axis **3**
- **Energy efficiency of public and private buildings**: Priority axis **3**
- **Modern district heating systems (existing or new)**: Priority axis **3**
- **Ecological transport**: Priority axis **3**
- **Infrastructure for education**: Priority axis **5**
- **Road infrastructure**: Priority axis **4**

Priority axis 1. Region with environmentally friendly cities

European Regional Development Fund (ERDF)-specific objective: Promoting energy efficiency and reducing GHG emissions

Indicative operations. Investments in residential buildings to ensure or improve energy efficiency, including consolidation activities according to identified risks and measures for the use of alternative energy sources. Investments in public buildings to ensure or improve energy efficiency, including consolidation activities according to identified risks and measures for the use of alternative energy sources.

The ROPs are not finalised (at the date of closing this report) and the amounts communicated by the Regional Development Agencies may be subject to subsequent amendments.

Analysing the information published on the websites of the Regional Development Agencies, it is presented the following example (to show the financing intentions):

Example: Northwest ROP, Version 1 – September 2020

Priority 3: Region with environmentally friendly cities, **€555,695 million**

Specific Objective - OS b (i): Promoting energy efficiency and reducing GHG emissions

- Increasing energy efficiency in the region as part of investment in the housing sector
- Supporting energy efficiency in public buildings
- Integrated energy management systems for buildings, including public heritage buildings

OS b (viii): Promoting sustainable multimode urban mobility

- Increasing use of public transport and other forms of green urban mobility

Priority 4: Accessible region, **€204,979 million**

OS c (iii): Developing sustainable national, regional, and local mobility resilient to climate change that is smart and intermodal, including improving access to the Trans-European Transport Network (TEN-T) and cross-border mobility

- Construction or rehabilitation of secondary road links to the road network and TEN-T nodes (county roads, highway discharges, connectivity to the CORE TEN-T network, bypasses, regional connectivity to open border points for cross-border mobility)
- Solutions for traffic decongestion and fluidisation (passages, 4-lane extensions, safety measures) for urban localities, on-road sectors owned or managed by ATUs.

To follow the update of the ROP, access the link for each development region:

| Regional Development Agencies | Web Link |
|--|---|
| Bucharest-Ilfov Regional Development Agency | https://bit.ly/3uFLKiC |
| Agency for Regional Development Centre | https://bit.ly/3a8mSlr |
| Agency for Regional Development North-East | https://bit.ly/3g5L02g |
| Agency for Regional Development South-East | https://bit.ly/2RIHhmP |
| Agency for Regional Development South-Muntenia | https://bit.ly/3uMG7zj |
| Agency for Regional Development South-West Oltenia | https://bit.ly/3sfsEhC |
| Agency for Regional Development West Region | https://bit.ly/3wS6eqj |

A2. Sustainable Development Operational Programme (PODD) 2021-2027

The following is the budget allocation *according to a draft* of the partnership agreement for 2021-2027:

- Scenario 1: EU contribution/national budget contribution – 70% - 30% = €5.604 billion
- Scenario 2: EU contribution/national budget contribution – 85% - 15% = €4.615 billion

ERDF/CF (Cohesion Fund)-specific objective: Promoting the transition to a circular economy

Efficient waste management to accelerate the transition to the circular economy to meet the requirements of environmental directives:

| Types of action | Detailed actions | Beneficiaries |
|---|---|---|
| <p>Improving the management of municipal waste to ensure the transition to the circular economy in line with the needs identified in the National Waste Management Plan (PNGD), and County Waste Management Plans (PJGD).</p> | <ul style="list-style-type: none"> • Investments in expanding separate collection systems in terms of door-to-door collection of recyclable waste and biowaste as well as the collection of textile waste and hazardous household waste • Investments in the material recovery of waste (sorting stations, composting stations, and anaerobic digestion plants) • Investments in waste treatment plants, including improving existing Mechanical Biological Treatment (MBT) facilities | |
| <p>Additional individual investments to close non-compliant landfills.</p> | | <p>Intercommunity Development Associations through County Councils, Bucharest City Hall, sector town halls, Central public authorities (e.g. MMAP, ANPM, and ANRSC)</p> |
| <p>Strengthening the institutional capacity of the actors in the sector (Ministry of Water Environment and Forestry, or MMAP; the National Environmental Protection Agency, or ANPM; the territorial administrative unit, or UAT; Intercommunity Development Associations, or ADIs; and the National Regulatory Authority for Municipal Services, or ANRSC) to accelerate the transition to the circular economy.</p> | | |

A3. Just Transition Operational Programme (POTJ) 2021-2027

Budget allocation: The POTJ has proposed a total indicative allocation of approximately €1,766 billion, of which €0,766 billion is from the Just Transition Fund and €1 billion is from the NGEU (NextGenerationEU). National co-financing of €0,264 billion will be added, totalling €2,030 billion in available funds (**from the POTJ summary written by the Ministry of Investments and European Projects, or MIPE*).

Eligible counties. Annex D of the 2020 Country Report identified six counties in Romania—Hunedoara, Gorj, Dolj, Galati, Prahova, and Mures— that need to be supported on an economic and social level and especially in the process of significantly reducing GHG emissions (65% of Romania’s GHG emissions come from mining and manufacturing). Romania has identified other areas with similar problematic issues; the country is in the process of negotiating with the European Commission on the possibility of financing through the Just Transition Fund (Maramureş, Caraş-Severin, Alba, Braşov, Harghita, Vâlcea, Sibiu, Mehedinţi counties).

The POTJ will finance the development needs of the following sectors: economic growth and diversification, employment through professional requalification or retraining, decontamination of polluted sites and circular economy, clean energy by reducing GHG emissions, energy efficiency and energy from renewable sources, and digitisation.

For the approved final version, please use the following link:

| | |
|--|---|
| Ministry of European Investments and Projects | https://bit.ly/2PZ8J9J |
|--|---|

Priority axis 2. Just transition through investment in clean energy technologies and infrastructure with reduced emissions

Just Transition Fund-specific objective: Allowing regions and people to address the social, economic, and environmental impact of the transition to a climate-neutral economy

| Types of actions | Beneficiaries |
|---|--|
| Investments in the development of technologies for green energy. | This priority axis is primarily for businesses but can be partnerships between ATUs and private firms with the intention of investing in green technologies—e.g. the ATU provides the land, connection to utilities, and tax facilities for a specified period, and the private entity makes the investment generating local jobs and taxes to the ATU budget. |
| Investments in the development of grid-connected (operational) PV parks. One solution to finance these parks is using the lands from former mines or factories, thus realising integrated decontamination, regeneration, and reconversion projects. | |
| Investments in wind turbines (wind farms, connected to the grid). | |
| Investments in PV farms to promote the use of renewable energy at the level of industrial operators. | |

Priority axis 3. Just transition by reducing pollution and strengthening the circular economy

Just Transition Fund-specific objective: Allowing regions and people to address the social, economic, and environmental impact of the transition to a climate-neutral economy

| Types of actions | Beneficiaries |
|--|--|
| Investments in the regeneration and decontamination of polluted sites (possibly with a water management component). | Local public authorities and their partnerships, Enterprises |
| Investments in land restoration and conversion projects including water management measures and the creation of green infrastructure in urban areas. | |
| Investments in waste management schemes at the county level to strengthen the circular economy. | |

| Types of actions | Beneficiaries |
|---|---------------|
| Actions to prevent waste generation and reduce the amount such generation, as well as actions to increase efficient re-use and recycling. | |

A4. Operational Transport Programme (POT) 2021-2027

Budget allocation: €8.3 billion

Priority axis 6. Improving urban connectivity and mobility that is sustainable and resilient to climate change by increasing the quality of transport services by rail

Budget allocation: €350 million

Specific objective: Promoting sustainable multimode urban mobility

| Types of actions | Beneficiaries |
|---|---|
| Purchase of metropolitan trains (ecological urban rolling stock) | Partnerships between local public authorities and the Romanian National Railway Company C.N.C.F.R. and ARF (The Authority for Railway Reform) |
| Construction, modernisation, and optimisation of the necessary infrastructure | |
| Optimisation of train travel—travel schedule, ticketing systems (including integration with other modes of transport), measures to increase the accessibility for people with disabilities and similar measures | |

Priority axis 7. Development of a multimodal transport system

Budget allocation: €30 million

Specific objective: Development of a sustainable, climate-friendly, safe, and intermodal TEN-T network

| Types of actions | Beneficiaries |
|--|--|
| Investments in the modernisation of intermodal terminals | <ul style="list-style-type: none"> Local public authorities Partnerships between local public authorities and the Romanian National Railway Company C.N.C.F.R. |
| Development of intermodal terminals | |
| Investments in intermodal transfer facilities and equipment | |
| Investments in connections between main transport hubs (station, airport, port, customs point, industrial park, intermodal terminal) | |

In short, projects can be financed by the POT through the following priority axes:

- **Road infrastructure** by priority axis 2
- **Ecological transport** by priority axis 6
- **Intermodal terminals** by priority axis 7
- **Underground Railway Development** by priority axis 5

Concrete examples of possible investments under the operational programme:

- Investments in the modernisation and development of intermodal terminals
- Investments in intermodal transfer facilities and equipment
- Investments in connections between main transport hubs (station, airport, port, customs point, industrial park, intermodal terminal)
- Investments in underground rail infrastructure (new sections, related stations)
- Investments in rolling stock, modernisation of installations
- Investments in related equipment, measures to increase the accessibility of persons with disabilities, including safety systems
- Modernisation of stations whose travel conditions do not meet current safety standards
- Support the integration of travel at the metropolitan level with other public passenger transport systems
- Construction or modernisation of bypass variants
- Construction or modernisation of municipalities' access to primary road network sectors

A5. National Recovery and Resilience Plan

The National Recovery and Resilience Plan (NRRP) proposed by MIPE was adopted by the Romanian Government at a second reading with the Memorandum mandated by MIPE to conduct document negotiations with the European Commission. The NRRP refers to a coherent public investment package and proposed reforms under the Country Specific Recommendations 2019-2020. These reforms and public investment projects must be implemented by 2026. The NRRP is based on six main pillars:

- Transition to a green economy
- Digital transformation
- Smart, sustainable, and inclusive economic growth
- Economic, social, and territorial cohesion
- Health and institutional resilience
- Children, young people, education, and skills

Investments and reforms should contribute to 37% of the **climate change** target and 20% of the **digitisation** target. The NRRP financially supports investments and reforms with a real and lasting impact on the economy and society. The proposed measures address the challenges identified in the context of the European Semester, supporting the green transition and digital transformation, as well as economic growth, social and economic resilience, and job creation. The NRRP must intervene with reforms and investments in the following areas:

- Transport
- Environment, climate change, energy, energy efficiency, and green transition
- Development of urban settlements, exploitation of cultural and natural heritage, and tourism
- Agriculture and rural development
- Health
- Education
- Business climate
- Research, innovation, digitisation
- Improving the buildings stock
- Resilience in crisis situations

Component and budget proposals:

I.5 Renovation Wave – Green and seismic rehabilitation fund: **proposed budget of €2.2 billion**

Targets: Energy efficiency and seismic consolidation for 1,000-1,500 housing blocks and 2,000 public buildings

I.6 Renewable energy and energy efficiency: **Proposed budget of €1.2 billion**

Financing adaptation measures for climate change

B1. ROPs

ERDF-specific objective: Improving the protection of nature and biodiversity, the green infrastructure, especially in urban areas, and reducing pollution

Indicative operations.

- Regeneration of degraded urban spaces, including by promoting investments for green infrastructure in urban areas
- Functional conversion of degraded, unused, or abandoned land
- Modernisation and expansion of existing green spaces
- Purchase of equipment for measuring pollutants in ambient air

ERDF-specific objective: Promoting sustainable multimode urban mobility

Indicative operations.

- Development of clean urban infrastructure (transport infrastructure, cycling, rolling stock, alternative fuels)
- Modernisation and expansion of tram lines
- Purchase and modernisation of rolling stock (trams)
- Purchase of trolleybuses and buses
- Development of mobility corridors
- Development of alternative fuel infrastructure
- Improving air quality and noise reduction

B2. Sustainable Development Operational Programme (PODD) 2021-2027

The following is the budget allocation *according to draft* of the partnership agreement for 2021-2027:

- Scenario 1: EU contribution/national budget contribution – 70% - 30% = €5.604 billion
- Scenario 2: EU contribution/national budget contribution – 85% - 15% = €4.615 billion

Priority axis 2. Development of water and wastewater infrastructure and transition to a circular economy

Budget allocation:

- €2.23 billion, less developed regions (source: ERDF), focused on water works and transition to a circular economy (including in terms of proper waste management—e.g. for energy, gasification)
- €507.8 million, no region difference (source: FC), focused on water works
- €230 million, no region differentiation (source FC), focused on waste

The funds allocated for this priority axis represent more than half of the PODD total funds, regardless of the budget scenario. In short, through priority axis 2 of the PODD, funds can be accessed for water/sewerage and waste management projects.

ERDF/FC-specific objective: Promoting sustainable water management

Investments in the water and wastewater sector to meet the requirements of the environmental directives:

| Types of actions | Detailed actions | Beneficiaries |
|--|---|--|
| Integrated actions for the development of water and wastewater systems | <ul style="list-style-type: none"> • Construction and rehabilitation of sewerage networks and construction, rehabilitation, or modernisation of wastewater treatment plants to ensure the collection and purification of biodegradable organic loads | Associations for Inter-Community Development through Regional Operators of Water, ANRSC Two or more ATUs within the competences of their deliberative and executive |

| Types of actions | Detailed actions | Beneficiaries |
|--|--|--|
| Actions to prepare and manage water and wastewater investment projects | <ul style="list-style-type: none"> • Construction and rehabilitation of capture and supply systems, treatment plants, and water transmission and distribution networks for human consumption in the context of integrated water and wastewater projects • Measures necessary for project efficiency and investment sustainability (automation, SCADA, GIS, metering, asset management implementation measures, etc.) | authorities may cooperate and associate, under the law, to establish inter-community development associations aimed at the provision and joint provision of community utilities services and the establishment, modernisation, and development, as appropriate, of related public utility systems. |
| Actions to strengthen the capacity of actors | <ul style="list-style-type: none"> • Support for further strengthening and expanding regional operators to develop their capacity to make investments for compliance • Support to strengthen the administrative capacity of the other institutions involved: ADIs, ANRSC, MMAP, MS (Institute of Public Health), AM PODD | |

Other programmes: European Economic Area and Norwegian grants

Norway, Iceland, and Liechtenstein contribute to the social and economic development of 15 member states in the east, centre, and south of the EU by granting European Economic Area (EEA) and Norwegian grants. The main donor state is Norway, which contributes 97% of the funding.

On the basis of the Memorandums of Understanding signed on 13 October 2016 between the Government of Romania and the donor states, projects under the 12 funding programmes (<https://www.eegrants.ro/descriere-programe>) established during 2018-2024, will be financed in the fields of:

- Local development, poverty reduction, Roma inclusion, children and young people at risk, human rights
- Renewable energy, energy efficiency, energy security
- Business development, innovation, and small and medium enterprises (SMEs)
- Public health
- Research
- Cultural heritage, cultural entrepreneurship, and cultural cooperation
- Justice, correctional services, combating domestic and gender-based violence

- Home affairs, police cooperation, and the fight against crime
- Education, scholarships, apprenticeships, and entrepreneurship for young people
- Social dialogue and decent work
- Active citizenship, civil society
- Environment and climate change

The open calls can be found here:

https://www.eeagrants.ro/apeluri?filtru_status=Activ&filtru_programme=&filtru_aplicant=

Other programmes: Programmes of the European Investment Bank – Climate Bank

EIB programmes are funding:

- Climate action and ecological sustainability
- Climate change adaptation: Projects that anticipate the negative effects of climate change and take appropriate measures to prevent or minimise the resulting damage. Such investments include projects that:
 - Reduce the risk of floods
 - Develop resilient cities
 - Reforestation
- Climate change mitigation: Projects that reduce or prevent GHG emissions. This can be done by investing in:
 - Research and development of low carbon technologies
 - Renewable energy
 - Low carbon transport solutions
 - Industrial decarbonisation
- Environmental sustainability: Activities that promote the sustainable management of natural resources, biodiversity, and the environment.

More information is available through the Romanian Office, linked here: <https://bit.ly/3wK0InQ>.

ELENA technical assistance programme in the form of a grant

The European Local Energy Assistance (ELENA) programme provides support for project preparation for three different sectors:

- Power efficiency
- Sustainable residential buildings
- Urban transport and mobility

For more information, see this link: <https://bit.ly/3wQjRq7>.

Other programmes: European City Facility

Launched in 2020, the European City Facility (EUCF) is a financial support for cities to boost the energy transition. Financial support can be accessed by municipalities and local authorities aiming to implement actions from politically approved local climate and energy action plans. The EUCF is intended for all local authorities and their associations in 31 countries: the EU member states and Norway, Iceland, Liechtenstein, and the UK.

The EUCF is a project initiated and led by Energy Cities, Climate Alliance, adelphi, Fedarene, and Enviros. It is being funded by Horizon 2020, the EU's research and innovation programme. The EUCF provides grants of €60,000 to develop an investment concept, which is an initial step towards a comprehensive business and financial plan. The expected outcome is a document that provides investors and financial institutions with the information needed to assess an investment project.

The EUCF finances activities such as (technical) feasibility studies; market, risk, legal, economic, or financial analyses; and stakeholder analyses, which are necessary to develop the investment concept. These activities may be carried out by the employed personnel or subcontracted experts. The grant cannot directly finance investments, but it covers the costs of mobilising access resources and services to develop an investment concept.

This tool is intended for all municipalities and local authorities (of any size) and their associations within the 31 countries. Applicants must have a politically approved energy and climate action plan. This can be a PAED (Sustainable Energy Action Plan) or PACED (Climate and Sustainable Energy Action Plan), developed under the Covenant of Mayors, or plans with similar ambitions with climate and energy objectives, set for at least 2020. In addition, applicants must prove their political commitment to develop the investment concept through a letter of support, signed by the Mayor or other relevant political representative. Applicants must comply with the 2-year EUCF monitoring period by submitting two forms including key figures.

Local authorities are encouraged to partner and submit joint applications to increase the level of proposed targets and the chances of success. Private entities are not eligible.

The first call resulted in 250 applications; 30 beneficiaries from 14 countries received funding.

List of beneficiary cities under the first central and eastern European call:

Hungary (4): Gyöngyös, Hódmezővásárhely, Mórahalom, Veszprém

Bulgaria (1): Dobrich

Croatia (3): Velika Gorica, Rijeka, Karlovac

Poland (2): Piaseczno, Sztum

Lithuania (1): Visaginas

The projects that received funding address several sectors: smart grids, sustainable mobility, district heating, residential buildings, public buildings, innovative energy infrastructure, and renewable integrated in buildings.

How can the municipalities apply?

There are a few quick steps to apply online. A help desk is available via the website. The national expert is able to provide information about the application process and provide support (e.g. clarification of the city's investment and expertise needs, aggregation in the project if necessary, verification of the application in terms of expression in English). Applications will be evaluated according to a set of criteria.

The applications with the highest scores will receive a grant. It is important for municipalities to register and start the application process even if they fail to complete it. Even in this case, the municipality will receive a feedback report from EUCEF, which will be useful for subsequent calls.

Information and online applications at: <https://eucityfacility.eu>.

In Romania, contact the National Expert: Camelia Rață, **Energy Cities in Romania** (OER), www.oer.ro, office@oer.ro.

Main obstacles for medium and small municipalities when using climate finance instruments

- Lack of knowledge about climate change financing options
- Insufficient administrative capacity, lack of expertise, and insufficient technical knowledge
- Budgetary (lack of co-financing) and regulation constraints
- Difficulties in ensuring the bankability of potential investments
- Political constraints
- Challenges in meeting the requirements of EU funds from all phases of the project (preparation financing, implementation, reception of works, monitoring/reporting)
- Unpredictability of project calls (rare calls with a short opening period)

Can small and medium-sized municipalities influence funding decisions?

The answer to this question comes from our 12 years of experience in supporting municipalities to manage these themes of action to reduce GHG emissions and reduce the impact of climate change.

Yes, they can influence but only through city associations (Association of Romanian Cities, The Romanian Network of Energy Cities, etc.) and only to a small extent.

Most of the time, the public consultation takes place late and the interventions coming from the stakeholders are taken over in the national programmes, either partially or marginally. That is why a much more active presence of city associations is required.

Recommendations for small and medium-sized municipalities

Combining mitigation and adaptation measures

As funding instruments for adaptation are limited, ATUs should seek synergies with funding options for mitigation and to develop projects that implement both mitigation and adaptation measures. For example, mitigation and adaptation measures can be integrated into ATUs ongoing investments in infrastructure maintenance and urban development.

In public infrastructure, climate change mitigation measures can be incorporated:

- In the public street and traffic lighting system.
- In public transport electric vehicles or vehicles using biofuels.
- Through pedestrian and cycling routes or traffic management techniques.
- In flood protection measures developed for public safety.

For example, urban retrofitting can be used to improve the resilience of urban areas to floods, heat waves, or other extreme events, while investments in energy efficiency can be an opportunity to make the building stock more resilient to the effects of climate change.

Aggregating small-scale projects into a larger joint project

Another common obstacle is that investments in climate mitigation measures are often too small or scattered to attract investors. Options for aggregating small projects, for example between neighbouring ATUs, should be explored. An example is the energy efficiency project for private homes in France, where the renovation of residential buildings of several municipalities has been aggregated into a single project with a total cost of €800 million.

The aggregation recommendation for small projects is also valid for financial instruments, such as **green bonds**.

Counselling and services can be provided to small ATUs to aggregate climate projects and connect them with relevant partners, such as funding institutions.

Partnership with other ATUs and local stakeholders

Cooperation between local authorities can bring synergies and economies of scale and could contribute to the aggregation of small-scale projects. Different local authorities can benefit from a single management office and the exchange of experience and skills.

Revenues from green bonds are expected to fund municipal investment projects in renewable energy, energy efficiency, green buildings, public transport, and water management.

In addition to cooperating with other local authorities, ATUs can explore opportunities for synergies and partnerships with other local stakeholders. For example, local energy agencies can provide technological expertise, audit advice, or information on existing state grants and other available funding options. For this reason, ATUs can work with agencies to benefit from their technical expertise and knowledge of funding options as well as to team up and develop large sustainable energy plans.

The banks, businesses, or other investors can also be valuable partners to ATUs by providing additional expertise and resources for climate investment through the use of financial instruments or public-private partnerships.

Partnership with county councils

Insufficient resources for co-financing in European non-reimbursable projects indicate the need for close partnerships with county councils, which may occasionally allocate the necessary co-financing amounts.

Exploring instruments that do not award grants

Although grants are a key source of funding for local climate investment, they cannot meet all ATU climate finance needs.

Unlocking investments in cities: the ELENA-EIB technical assistance facility can be used as an important initial source of financing to stimulate private investment by introducing complementary non-grant instruments, such as green bonds, automatically renewable funds, guarantees, and debt financing.

Use of fiscal instruments and incentives to supplement other sources of funding

Fiscal instruments can be a useful complementary resource for climate action, although they are usually less popular with local citizens and politicians. For example, tax incentives and urban congestion charges can be used to limit car use in cities.

Promoting climate action in the local community

In addition to investing in climate change, ATUs play a key role in guiding local climate action and leading the local community. For cities to achieve mitigation and adaptation measures, households and industries should become more resilient and energy efficient.

ATUs should encourage and motivate their citizens and local businesses to take action—for example through regulatory measures or by providing information on climate action and financing options available to households and industry. Such activities would help generate demand for climate funding in local communities, which would strengthen the ATUs' capacity to develop and justify their climate finance needs.

Capitalisation of expertise at the level of the association of cities and city networks

Based on the finding that a small or medium-sized city may not have the appropriate expertise at all stages of the project (preparation, accessing funding, implementation, monitoring, acceptance), we consider it appropriate to set up permanent groups of experts at these types of associations to serve the needs of all members from as early as the project planning phase.

Calls for projects open at the end of the study are presented in Annex 3.

Annex 1: Preparation of projects for financing

What information can we find in the applicant's guide?

Chapter 1. Project call information

- 1.1 Priority axis, investment priority, specific objective
- 1.2 Type of call for projects and period for submission of project proposals
- 1.3 Objectives
- 1.4 Eligible activities
- 1.5 Eligible applicants
- 1.6 Target group
- 1.7 Indicators
- 1.8 Allocation established for the call for projects
- 1.9 Maximum value of the project, co-financing rate
- 1.10 State/de minimis aid, as appropriate
- 1.11 Project implementation duration

Chapter 2. Rules for granting funding

- 2.1 Eligibility of the applicant/partners
- 2.2 Eligibility of projects
- 2.3 Eligible expenses
- 2.4 Ineligible expenses

Chapter 3. Filing in the funding application

Registration in the applicant's MySMIS 2014 system

Chapter 4. Evaluation and selection process

- 4.1 General description
- 4.2 Evaluation grids
 - 4.2.1 Administrative compliance check grid
 - 4.2.2 Eligibility check
 - 4.2.3 Technical-economic evaluation grid
- 4.3 Project selection
- 4.4 Filing and resolving appeals

Chapter 5. Contracting projects

- 5.1 Filing and resolving appeals
- 5.2 Contracting projects

Chapter 6. Reimbursement of expenses

- 6.1 Payment request mechanism
- 6.2 Reimbursement of expenses
- 6.3 Verification of public procurement

Chapter 7. Monitoring and control

Chapter 8. Information and publicity

Chapter 9. Glossary of terms

How to obtain funding from European funds?

For each call separately, a specific guide for the applicant will be published. In this guide you will find all the information needed to write the project (*see above*)

- Evaluation officers within the MA/OI (Managing Authority / Intermediary Body) evaluate the funding application and related annexes
- Applicants may receive possible requests for clarifications for review or completion of the funding application
- Applicants send the requested clarifications to the MA/OI
- Applicants are notified regarding the project approval for financing
- MA elaborates the contract / financing decision and sends it to the applicant for signing by the legal representative
- The legal representative of the MA signs the contract and the financing decision

What is a Managing Authority (MA)?

The Managing Authority is the structure responsible for managing and implementing one or more operational programmes and is responsible for the efficient, effective, and transparent use of funds. The Managing Authority represents the contractual part of the financing contract that has as object the implementation of a project. Each operational programme has a designated Managing Authority. In general, the Managing Authority has the following responsibilities:

- Launches project calls
- Evaluates funding applications
- Signs financing contracts and amendments
- Approves progress reports and payment or refund requests
- Makes payments to beneficiaries
- Monitors the implementation of projects
- Ensures the prevention, detection, and sanctioning of irregularities

Annex 2: Sources of information on available funding

| Information sources | Web Link |
|--|---|
| Ministry of Investments and European Projects | https://bit.ly/2PZ8J9J |
| Ministry of Environment, Waters and Forestry | https://bit.ly/2OIsGkr |
| LIFE Programme for Romania | https://bit.ly/3tgp6gD |
| Administration of the Environmental Fund | https://bit.ly/3wQP4cH |
| Ministry of Development, Public Works and Administration – Managing Authority for the Regional Operational Programme 2014-2020 | https://bit.ly/3teM0ol |
| Bucharest-Ilfov Regional Development Agency | https://bit.ly/3uFLKiC |
| Agency for Regional Development Centre | https://bit.ly/3a8mSlr |
| Agency for Regional Development North-East | https://bit.ly/3g5L02g |
| Agency for Regional Development South-East | https://bit.ly/2RIHhmP |
| Agency for Regional Development South-Muntenia | https://bit.ly/3uMG7zj |
| Agency for Regional Development South-West Oltenia | https://bit.ly/3sfsEhC |
| Agency for Regional Development West Region | https://bit.ly/3wS6eqj |
| European Climate, Infrastructure and Environment Executive Agency (CINEA) | https://bit.ly/3a7o5zE |
| European Investment Bank – Romania Office | https://bit.ly/3wKOInQ |
| European Investment Bank – ELENA grant | https://bit.ly/3wQjRq7 |
| EEA and Norwegian grants | https://bit.ly/3wQP4cH |

Annex 3: Calls for projects opened on the date of this study

| | |
|--------------------------------------|---|
| FINANCER | EU and the Government of Romania |
| Financing programme | Restoration of degraded ecosystems (Large Infrastructure Operational Programme, AP 4, OS 4.1) |
| Objective of the programme | Maintaining and restoring degraded ecosystems and the services provided (ecological corridor afforestation, etc.) located outside protected natural areas |
| Eligible applicants | Administrators appointed under the specific legislation and / or owners of the publicly owned national forest fund Administrators appointed under specific legislation and / or owners of publicly owned surface waters Administrators appointed under specific legislation and / or owners of publicly owned permanent pastures Administrators appointed under specific legislation and / or owners of publicly owned caves |
| Eligible activities | Maintaining and restoring forest ecosystems and the services provided Maintaining and restoring lacustrine and stream ecosystems and the services they provide Maintaining and restoring pasture ecosystems and the services provided Maintaining and restoring cave ecosystems and the services provided |
| Value of the grant | Maximum €10,000,000/project |
| Beneficiary's contribution | Variable |
| Deadline | 30 June 2022 |
| Additional information (link) | https://bit.ly/3m2Qlbg |

| | |
|---------------------------------------|--|
| FINANCER | EU and the Government of Romania |
| Financing programme | Decontamination of historically polluted sites – new projects (Large Infrastructure Operational Programme, AP 4, OS 4.3) |
| The objective of the programme | Implementation of decontamination and greening measures for contaminated and abandoned sites owned by public authorities or for which they are responsible in the decontamination process |
| Eligible applicants | Public authorities or other public institutions, including structures subordinated to them, for historically contaminated sites owned or made available to them by the owner, by a legal act, to implement the project |
| Eligible activities | The projects will include decontamination and greening of historically polluted sites, including the restoration of natural ecosystems and soil quality assurance to protect human health. The investments proposed for financing will focus on reducing the existing risk to human health and the environment caused by past industrial activities and putting in place |

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| | appropriate measures to mitigate the identified risks so as to achieve acceptable risk. The use of green infrastructure will be considered a priority option for decontamination actions (bio-decontamination of polluted sites). |
| Value of the grant | Budget allocated to the call: €5,716,409 |
| Beneficiary's contribution | For beneficiaries of local public authorities/institutions subordinated to them, financed from the local budget: Minimum 2% For beneficiaries of central institutions, financed from the state budget: Minimum 15% |
| Deadline | 30 June 2022 |
| Additional information (link) | https://bit.ly/31qvOEx |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Risk management for floods, coastal erosion, and other risks identified by the national risk assessment (Large Infrastructure Operational Programme, AP 4, OS 4.1) |
| Objective of the programme | Promoting actions aimed at preventing the main risks accentuated by the manifestations of climate change, in particular floods and coastal erosion, to avoid economic damage and loss of life, as well as compliance with the requirements of the directives in the sector |
| Eligible applicants | Ministry of Environment, Waters and Forestry in partnership with the specialised structures to implement the specific measures within PMRI (Flood Risk Management Plan) for type A actions Ministry of Environment, Waters and Forestry in partnership with NGOs and other structures specialising in the ecological field for type A actions National Meteorological Administration for type A actions specific to NMA The "Apele Române" National Administration for type B actions Other bodies with responsibilities in the prevention and management at national level of the risks identified on the basis of the national assessment for type C actions. |
| Eligible activities | A. Actions for risk management in floods B. Actions to prevent coastal erosion C. Measures to prevent and protect against other risks |
| Value of the grant | Maximum project values are not proposed in the programme or in the applicant's guide. |
| Beneficiary's contribution | 0% |
| Deadline | 30 June 2022 |
| Additional information (link) | https://bit.ly/2Pf0XrX |

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|--------------------------------------|--|
| FINANCER | EU and the Government of Romania |
| Financing programme | Call for projects for the development of integrated waste management infrastructure – new investment projects (Large Infrastructure Operational Programme 2014 - 2020, AP 3, OS 3.1) |
| Objective of the programme | Reducing the number of non-compliant landfills and increasing waste recycling readiness in Romania |
| Eligible applicants | Intercommunity Development Associations through the County Councils Ministry of Environment, Waters and Forestry Public institutions with responsibilities in the field of waste management in partnership with the Ministry of Environment, Waters and Forestry Bucharest City Hall, district town halls Ministry of Environment, Waters and Forests/Administration of the Environment Fund |
| Eligible activities | A. New integrated/individual projects for consolidating and expanding integrated waste management systems B. Strengthening the institutional capacity of the Ministry of Environment, Waters and Forests for governance in the field of waste management (to support the implementation of PNGD) as well as public institutions with responsibilities in the field of waste management C. Implementation of an integrated waste management system at the level of Bucharest and cities D. Projects for closure of non-compliant landfills of hazardous and non-hazardous industrial waste E. Support for the preparation of the project portfolio for the period 2014-2020 and post 2020 (as appropriate); F. Projects for the closure of non-compliant municipal waste landfills (not included in the integrated waste management projects at county level). |
| Value of the grant | There are no value thresholds on the size of projects |
| Beneficiary's contribution | For beneficiaries of local public authorities: Minimum 2% For beneficiaries of central institutions, financed from the state budget: Minimum 15% |
| Deadline | 1 July 2022 |
| Additional information (link) | https://bit.ly/3rwfo89 |

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|-----------------------------------|---|
| FINANCER | The Government of Romania |
| Financing programme | National construction programme of public or social interest |
| Objective of the programme | Construction, rehabilitation, modernisation, endowment, and extension of an objective; completion of an objective previously started by the beneficiary |
| Eligible applicants | Central government authorities |

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| | <p>Local public administration authorities</p> <p>Other public institutions and institutions of public interest and legal persons recognised as being of public utility under the law</p> <p>Other entities operating under special laws including natural and legal persons in the case of Emergency works sub-programme</p> |
| Eligible activities | <p>Construction, rehabilitation, modernisation, endowment, and extension of an objective; completion of an objective previously started by the beneficiary</p> <ol style="list-style-type: none"> 1. Sub-programme: Sports halls 2. Sub-programme: Swimming pools 3. Sub-programme: Sports centres 4. Sub-programme: Cultural settlements 5. Sub-programme: State educational establishments and institutions 6. Sub-programme: Artificial ice rinks 7. Sub-programme: Health facilities 8. Sub-programme: Cinemas 9. Sub-programme: Emergency works 10. Sub-programme: Rehabilitation of housing blocks located in communities in underprivileged areas 11. Sub-programme: Roads of local interest and roads of county interest 12. Sub-programme: Septic tanks, sewage treatment plants and water supply systems 13. Sub-programme: Other objectives of public or social interest in the field of construction |
| Value of the grant | There is no set limit |
| Beneficiary's contribution | 0% |
| Deadline | <i>Continuous application</i> |
| Additional information (link) | https://bit.ly/3fkCSKY |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Community-led local development (where appropriate) (Regional Operational Programme, AP 9, PI 9.1) |
| Objective of the programme | Reducing the number of people at risk of poverty and social exclusion through integrated measures |
| Eligible applicants | <ul style="list-style-type: none"> • Territorial Administrative Units: City, municipality, sectors of Bucharest as members in the Local Action Group in the list of LDSs (local development strategies) selected for funding • Partnerships between ATUs sectors of Bucharest - member of the Local Action Group in the List of LDSs (local development strategies) selected for funding and partnership leader and public and private providers of social services |

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| | <ul style="list-style-type: none"> Public and private providers of social services accredited according to the legislation in force, with a length of service of at least 1 year, before the submission of the project, with competencies in the provision of social, community services, recreational-educational, cultural, leisure and sports activities Insertion social economy enterprises |
| Eligible activities | <p>Supported interventions may include various types of investments, depending on the specific needs identified at local level in the Local Development Strategies developed by the Local Action Groups and cover:</p> <ul style="list-style-type: none"> Investments in housing infrastructure: construction, rehabilitation, modernisation of social housing Investments in health infrastructure, social services – construction, rehabilitation, modernisation, endowment of integrated community medical-social centres Investments in education infrastructure: construction, rehabilitation, modernisation, endowment of pre-university education units (nurseries, kindergartens, primary schools, middle schools, etc.) Investments in landscaping of the degraded urban space of the disadvantaged community Construction, endowment with equipment of the infrastructure of the insertion social economy enterprises |
| Value of the grant | <p>Minimum amount for eligible expenditure:</p> <p>€30,000 - for calls for projects ROP / 2019/9/9 .1 / 1/7 REGIONS and ROP / 2019/9/9 .1 / 1 / BI</p> <p>€20,000 - for the call for projects POR / 2019/9/9 .1 / 1 / Enterprises</p> <p>Maximum total value of the infrastructure project package at strategy level: €4,900,000</p> |
| Beneficiary's contribution | <p>0% in the case of insertion social economy enterprises</p> <p>Minimum 2% for the other categories of beneficiaries</p> |
| Deadline | 31 December 2021 at 10:00 |
| Additional information (link) | https://bit.ly/3m0UVaa |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Reducing the number of people at risk of poverty and social exclusion in marginalised communities (Roma and non-Roma) in cities or municipalities with more than 20,000 inhabitants – Stage III of the Local Development Mechanism under the responsibility of the community (Human Capital Operational programme, AP 5, OS 5.1) |
| Objective of the programme | Reducing the number of people at risk of poverty and social exclusion in marginalised communities (Roma and non-Roma) in cities or municipalities with over 20,000 inhabitants, with emphasis on those with |

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| | Roma minority population by implementing measures or operations integrated in the context of DLRC – Community-led local development mechanism |
| Eligible applicants | <ul style="list-style-type: none"> • Local public authorities and units with legal personality under their coordination or subordinates • Accredited providers of specialised services to stimulate employment • Authorised vocational training providers • Authorised centres for the assessment and certification of professional competencies obtained in ways other than formal • Accredited social service providers under the law • Associations and foundations • Trade unions • Employers' organisations • Social insertion enterprises • Employers • Chambers of Commerce and Industry • School units and County School Inspectorates |
| Eligible activities | <p>In 2017, 37 Local Development Strategies were selected from cities pr municipalities with over 20,000 inhabitants, managed by the Local Action Groups.</p> <p>The Local Action Groups implement the Local Development Strategies by launching calls for interventions specific to these strategies. The activities financed by POCU (Human Capital Operational Programme) are:</p> <ul style="list-style-type: none"> • Support for access to or maintenance of the labour market • Supporting entrepreneurship in the community, including self-employment • Supporting the development or provision of social, medical, medical - social services, including within integrated community centres • Support for increasing access to and participation in education • Activities to improve the living conditions of the people in target group • Legal assistance for the regulation of identity documents, property, civil status • Combating discrimination and segregation |
| Value of the grant | The minimum and maximum values of the projects are established by the Local Action Groups (LAGs) through the own Guides related to the approved LDSs |
| Beneficiary's contribution | Variable |
| Deadline | 31 December 2021 |
| Additional information (link) | https://bit.ly/31tgxTf |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Development of management plans, sets of conservation measures, action plans for protected natural areas (including those located in the marine environment) and for species of community interest not covered by previous projects. (Large Infrastructure Operational programme, AP 4, OS 4.1) |
| Objective of the programme | Increasing protection and conservation of biodiversity and restoration of degraded ecosystems |
| Eligible applicants | <ul style="list-style-type: none"> • National Agency for Protected Natural Areas • The structure that is responsible for the administration and assurance of the management of the protected area • NGOs (associations and foundations) with environmental protection and nature protection activities stated in their articles of association • Research institutes, universities, museums with environmental protection and nature protection activities stated in their articles of association • Central and local public administration authorities, other structures in the coordination, subordination of central and local authorities |
| Eligible activities | Elaboration of management plans and of sets of conservation measures, action plans for protected natural areas (including those located in the marine environment) and for species of community interest that are not financed under other programmes (provided in GEO no. 57/2007 on regime of protected natural areas, conservation of natural habitats, wild flora and fauna, with subsequent amendments) |
| Value of the grant | Maximum value of the project: €5,000,000 |
| Beneficiary's contribution | 0% |
| Deadline | 31 December 2021 |
| Additional information (link) | https://bit.ly/39qrQ2Z |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Increasing protection and conservation of biodiversity and restoration of degraded ecosystems – Call B (Large Infrastructure Operational Programme, AP 4, OS 4.1) |
| Objective of the programme | Promoting biodiversity conservation measures in line with the Priority Action Framework for Natura 2000, the European Biodiversity Strategy 2020, and the National Strategy and Action Plan for Biodiversity Conservation 2014-2020 |

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| Eligible applicants | ANANP (National Agency for Protected Natural Areas) Institution, structure that is responsible for the administration and assurance of the management of the protected area, alone or in partnership with: <ul style="list-style-type: none"> • NGOs (associations and foundations) • Research institutes • Universities, museums with environmental protection, and nature protection activities stated in their articles of association • Central and local public administration authorities, other structures in the coordination, subordination of central, local authorities |
| Eligible activities | <ul style="list-style-type: none"> • Measures to maintain and improve the conservation status of species and habitats of community importance, including the ecological reconstruction of ecosystems on the surface of protected natural areas, including Natura 2000 sites • Monitoring and evaluation of the conservation status of species and habitats of community importance • Reducing the effects of hydro-morphological pressures on watercourses to protect biodiversity (ichthyofaunal passageways for watercourse cross bar works, wetland restoration, restoration of riverbeds and floodplain relief of water bodies, etc.) • Creating and maintaining ecological corridors, creating and maintaining species migration corridors, preserving ecological connectivity and functionality, maintaining and improving connectivity for the network of protected areas, including the Natura 2000 network Other similar measures according to management plans |
| Value of the grant | Maximum €10,000,000/project |
| Beneficiary's contribution | Variable |
| Deadline | 31 December 2021 |
| Additional information (link) | https://bit.ly/3lZQz36 |

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| FINANCER | EU and the Government of Romania |
| Financing programme | Development of heating infrastructure – new projects Large Infrastructure Operational Programme 2014-2020, AP 7, OS 7.1) |
| Objective of the programme | Promoting energy efficiency investments in the district heating sector to reduce losses in the transmission and distribution networks. |
| Eligible applicants | Territorial administrative units defined in accordance with the legal provisions in force through local public authorities in selected localities (which have implemented projects under POS Environment - Sectoral Operational Programme -2007-2013 under AP 3) as well as in other localities within the limits of available financial resources |

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| Eligible activities | <ul style="list-style-type: none"> • Integrated heating projects in the seven selected cities (Botoşani, Oradea, Iaşi, Râmnicu Vâlcea, Bacău, Timișoara, Focşani) for the continuation of investments started in 2007-2013 through POS Environment 2007-2013 to ensure sustainability • District heating projects of other local authorities (other than the seven cities pre-identified in the Large Infrastructure Operational Programme) that are proposed and selected for funding under similar conditions to those used for priority projects, depending on the financial resources available with a view to increasing the thermal comfort of consumers while lowering the costs of energy production and consumption and taking into account developments in energy efficiency in urban centres. |
| Value of the grant | Maximum €20,000,000 |
| Beneficiary's contribution | Minimum 2% |
| Deadline | 31 December 2021 at 17:00 |
| Additional information (link) | https://bit.ly/3wcdMnp |

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| FINANCER | The Government of Romania |
| Financing programme | The Sustainable Energy Management Action Fund Established by the Emergency Ordinance no. 158/ 2020 |
| Objective of the programme | Contribution to support sustainable energy management in poor/underdeveloped municipalities in Romania by improving municipal infrastructure, increasing capacity and awareness on energy efficiency and renewable energy |
| Eligible applicants | Territorial administrative units in poor/underdeveloped regions of Romania |
| Eligible activities | <p>The investment objectives that can be financed under the programme must fall within at least one of the following specific areas:</p> <ul style="list-style-type: none"> • Thermal rehabilitation of public buildings • District heating • Energy supply • Including renewable • Public lighting • Public transport • Urban planning |
| Value of the grant | Variable |
| Beneficiary's contribution | 15% |
| Deadline | 31 December 2025 |
| Additional information (link) | https://bit.ly/3u1KuWO |

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| FINANCER | The Government of Romania |
| Financing programme | Programme on reducing GHG emissions in transport by promoting infrastructure for energy efficient road transport vehicles |
| Objective of the programme | Development of the infrastructure for supplying electricity to vehicles |
| Eligible applicants | Territorial administrative units – municipalities other than county municipalities, localities declared tourist resorts, and localities belonging to metropolitan areas of county municipalities |
| Eligible activities | The programme finances recharging stations consisting of a minimum of two recharging points, powered by the same delivery point from the public distribution network, of which one recharging point allows multi-standard DC charging at a power >50 kW and one recharging point allows AC charging at a power >22 kW of electric vehicles. The recharging station will allow simultaneous charging at the declared powers. |
| Value of the grant | The maximum amount financed for the installation of a recharging station is 190,000 lei The maximum amount granted varies depending on the type of beneficiary |
| Beneficiary's contribution | Minimum 2% |
| Deadline | CALL NOT LAUNCHED |
| Additional information (link) | https://bit.ly/3u78c3M |

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| FINANCER | The Government of Romania |
| Financing programme | EMERGENCY ORDER No. 155 of 3 September 2020 on certain measures for the elaboration of National Recovery and Resilience Plan needed by Romania to access repayable and non-refundable external funds under the Recovery and Resilience Mechanism |
| Objective of the programme | Ensuring improvement of the state of the national economy after the crisis generated by COVID-19, economic growth and job creation necessary for the inclusion of the workforce, supporting the green transition , and the digital transition to promote sustainable growth |
| Eligible applicants | (a) Relevant ministries, alone or in inter-institutional partnerships or together with central/local public authorities or community development associations b) Public higher education institutions and local public authorities in county residence municipalities, municipalities and cities , central public authorities c) Sanitary facilities d) Public higher education institutions and research and development institutes in Romania e) Water and sewerage operators f) Local public authorities of rural towns bordering urban areas |

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| | <p>g) General Inspectorate for Emergency Situations and County Emergency Inspectorates</p> <p>h) General Inspectorate for Emergency Situations and subordinated units</p> <p>i) Courts, public prosecutor's offices, etc.</p> <p>j) Central public institutions and authorities</p> <p>k) Authority for the Digitalisation of Romania , central and local public authorities.</p> |
| Eligible activities | <p>Development of technical and economic documentation with financing from the state budget through the main authorising officer, the Ministry of Investments and European Projects, for the preparation of infrastructure projects in the following areas:</p> <p>a) Adaptation to climate change</p> <p>b) Urban mobility, urban regeneration, tourism and culture, greening industrial platforms, investments in educational infrastructure</p> <p>c) The health sector;</p> <p>d) Research in the field of technology transfer for extension/ rehabilitation, modernisation of buildings, including new buildings, providing equipment, machinery, standalone facilities</p> <p>e) Water-sewage</p> <p>f) Building infrastructure projects for rural areas bordering urban areas</p> <p>g) Increasing the resilience of communities in emergency situations by expanding the network of intervention sub-units within the structure of emergency inspectorates</p> <p>h) The establishment of regional warehouses and the creation of material and technical—including medical—stocks for the management of high impact and low probability situations generated by the occurrence of risks</p> <p>i) Infrastructure projects in the justice, defence, public order, and national security systems, including digitalisation</p> <p>j) Communications and information technology and cybersecurity</p> <p>k) Digital transformation/transition projects, including through robot process automation, central and local public administration services</p> |
| Value of the grant | Depending on the estimated value of the public investment project, but no more than 3% of its estimated value |
| Beneficiary's contribution | Unspecified |
| Deadline | Unspecified |
| Additional information (link) | https://bit.ly/3tYnFTK |