

EU Multiannual financial framework 2021-2027

How can the sport sector benefit?
-background paper-



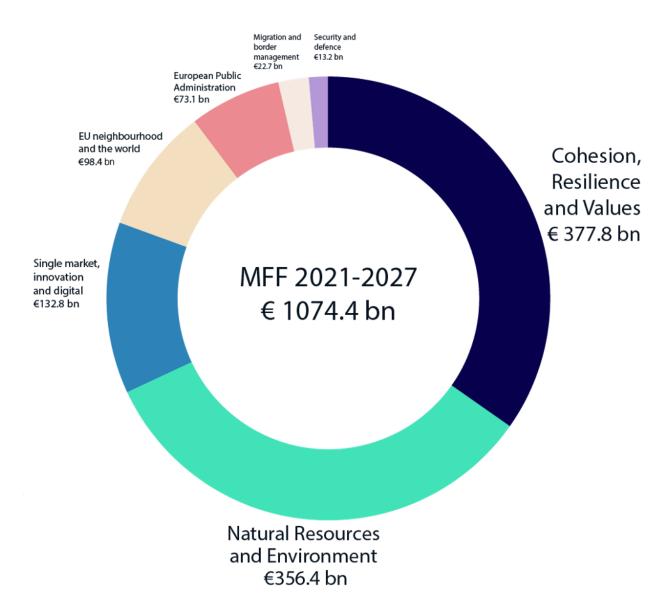
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Introduction

The Regulation laying down the EU's multiannual financial framework (MFF) for 2021-2027 was adopted by the Council in December 2020.¹ The regulation sets the framework for a long-term budget of €1074.4 bn for the EU-27 in 2018 prices. Together with the recovery mechanism branded Next Generation EU (with a budget of €750 bn in 2018 prices), the long-term budget will provide an unprecedented €1.8 tn of funding to support the recovery from the COVID-19 pandemic and the EU's long-term priorities across different policy areas. The multiannual financial framework will cover seven EU budget spending areas which are listed below, together with their afferent policy clusters. These spending areas provide the framework for almost 40 EU programmes in the 2021-2027 period.





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 $^{^{1}\,\}underline{\text{https://www.consilium.europa.eu/en/press/press-releases/2020/12/17/multiannual-financial-framework-for-2021-2027-adopted/?utm source=dsms-}$

EU Budget Spending Areas in MFF 2021-2027 and funding instruments relevant for sport (excluding the Next Generation EU mechanism):²

Cohesion, Resilience and Values: €365.8 bn

- Regional Development and Cohesion: €243 bn
 - i. European Regional Development Fund
 - ii. Cohesion Fund
- People, Social Cohesion and Values: €115.8 bn
 - i. European Social Fund Plus
 - ii. Erasmus +
- Recovery and Resilience: €7 bn
 - i. EU4Health

Natural Resources and Environment: €355.6 bn

- Agriculture and Maritime Policy: €342.8 bn
 - i. European Agricultural Fund for Rural Development
- Environment and Climate Action: €12.8 bn
 - i. Programme for Environment and Climate Action (LIFE)
 - ii. Just Transition Fund

Single market, innovation and digital: €131.7 bn

- European Strategic Investments: €29.3 bn
 - i. InvestEU
- Research and Innovation: €83.1 bn
 - i. Horizon Europe
- Space: €13.4 bn
- Single Market: €5.9 bn
 - i. Single Market Programme (incl. COSME)

EU neighbourhood and the world: €97.7 bn

- External Action: €85.2 bn
- Pre-accession assistance: €12.5 bn

European Public Administration: €73.1 bn

Migration and border management: €22.3 bn

- Border Management: €12.6 bn
- Migration: €9.7 bn

Security and defence: €12.6 bn

Defence: €8.5 bnSecurity: €4.1 bn

The EU's multiannual financial framework offers several possibilities for the sport sector to benefit from its various funding programmes, as a cross-sectoral area with an important potential contribution to the EU's various policy priorities. The present paper offers practical information on the various EU funding mechanisms available through the MFF 2021-2027 that are of relevance for the sport sector. The most relevant EU funds and programmes for the sport sector are included in the first three EU budget spending areas: 'Cohesion, Resilience and Values', 'Natural Resources and Environment' and 'Single market, innovation and digital'. Therefore, the paper offers an overview of these spending areas, with a focus on several funding

² Here we list only the EU funding programmes relevant for sport. Therefore, the Spending Areas contain other programmes or funding instruments which are not mentioned here, including the ones implemented through the Next Generation EU, which are covered in another SHARE background paper. The overall budgets provided here do not include administrative budgets.

programmes included, notably the Cohesion Policy funds, EU4Health, European Agricultural Fund for Rural Development, InvestEU and Horizon Europe. The paper equally highlights possible investment opportunities for sport within the above-mentioned EU funds and suggests first steps for sport stakeholders in the preparation of applications for EU funding.

Cohesion, Resilience and Values

Cohesion Policy Funds

Background

Cohesion Policy (CP) is the European Union's strategy for regional development, with the aim to strengthen economic and social cohesion and to reduce disparities in the level of development between EU's regions. As part of the 'Cohesion, Resilience and Values' spending area, Cohesion Policy is the most important EU financial instrument, along with the Common Agricultural Policy and accounts for just under a third of the total MFF 2021-2027 EU budget (€337.9 bn).

During the 2021-2027 period, a Common Provisions Regulation (CPR) will set the governing rules for eight shared management funds: European Regional Development Fund (ERDF), Cohesion Fund (CF), European Social Fund Plus (ESF+), European Maritime and Fisheries Fund (EMFF), Just Transition Fund (JTF), Asylum, Migration and Integration Fund (AMIF), Border Management and Visa Instrument and Internal Security fund. The Common Provisions Regulation (CPR) sets out common rules for these eight funds which will be managed and delivered in partnership between the European Commission, the Member States and stakeholders at the local and regional level.

The EU Cohesion Policy in 2021-2027 will focus on sustainable economic competitiveness through research and innovation, digital transition, the <u>European Green Deal</u> objectives and the promotion of the <u>European Pillar of Social Rights</u> and will be implemented through four structural and investment funds: the ERDF and CF, the ESF+ and the JTF.

The implementation of Cohesion Policy will be driven by five main policy objectives:

- A Smarter Europe through innovation, digitisation, economic transformation and support to SMEs;
- A Greener, low-carbon Europe implementing the Paris Agreement and investing in energy transition, renewables and the fight against climate change;
- A more Connected Europe with strategic transport and digital networks
- A more Social Europe delivering on the European Pillar of Social Rights and supporting quality employment, education, skills, social inclusion and equal access to healthcare;
- A Europe Closer to citizens by supporting locally-led development strategies and sustainable urban development across the EU.

The first two policy objectives represent the bulk of regional development investments. Therefore, **65% to 85%** of ERDF and the CF resources will be allocated to these two priorities. Moreover, the implementation of the ERDF and CF must meet specific climate targets quotas, **30% and 37%** of their available budgets respectively. These targets are accompanied by a special adjustment mechanism that will help in monitoring and achieving them. The JTF will support the adjustment to the transition to a climate-neutral economy by 2050, including the 55% reduction in carbon emissions by 2030, as established in the European Green Deal.

The table below highlights several possible investment opportunities for the sport sector, according to the five main objectives of Cohesion Policy. These opportunities are thus created through the implementation of the four Cohesion Policy funds: ERDF and CF, ESF+ and JTF, which also constitute the focus of the present paper.

CP Investment objectives	Possible investment opportunities for the sport sector ³
A Smarter Europe	Invest in the development of sport technologies and innovation in
	sport; Directly support SMEs specialised in the manufacture of
	sporting goods or in sport services;
A Greener, low-carbon Europe	Invest in sustainable transport and in active travel, especially
	related to urban mobility; Lower the carbon footprint of sport
	businesses; Invest in transition initiatives, involving sport
	organisations and in promoting sustainable and active tourism;
A more Connected Europe	Invest in new technologies aimed at monitoring health-enhancing
	physical activity; Invest in alternative transport means which
	encourage healthier alternatives to conventional road transport;
	Invest in the digitalization of sport organisations;
A more Social Europe	Invest in the promotion of healthy ageing and an active lifestyle
	through physical activity; Invest in the promotion of social
	inclusion through sport practices; Support labour mobility and the
	exchange of good practices through the mobility of sport staff and
	volunteers; Invest in the development and improvement of sport
	skills and broader skills through sport and physical activity which
	increase employability;
A Europe Closer to citizens	Invest in structural and spatial development which favour an
	active lifestyle; Invest in urban regeneration by transforming
	brownified areas into areas favourable to sport activity; Invest in
	sport-based community initiatives and the transformation of rural
	areas through the development of sport initiatives which enhance
	(active) tourism.

Funding allocation method

The allocation method for the Cohesion Policy funds remains largely based on the GDP per capita of EU's regions structured in Nomenclature of Territorial Units for Statistics (NUTS). The classification criteria of the NUTS regions based on their GDP per capita has changed compared to the previous multiannual financial framework:

- 'Less-developed regions' with a GDP per capita under 75% of the average GDP of the EU-27
- 'Transition regions with a GDP per capita between 75% and 100% of the EU-27 average
- 'More developed regions' with a GDP per capita higher than 100% of the EU-27 average.

However, new criteria based on socio-economic metrics have been added, to better reflect the realities on the ground:

- Youth unemployment;
- Low level of education;
- Climate change;
- The reception and integration of migrants.

The EU co-financing rates are set at 85% for less-developed regions, 60% for transition regions and 40% for more developed regions. An exception is represented by the ESF+ for which higher co-financing rates may be

³ For a more detailed read on how sport could contribute to the five investment objectives of Cohesion Policy 2021-2027, consult the SHARE Research Paper on 'The contribution of sport to regional development through Cohesion Policy 2021-2027', coordinated by KEA European Affairs, 2020, https://keanet.eu/wp-content/uploads/SHARE-The-contribution-of-sport-to-regional-development-through-CP-2021-2027-FINAL.pdf

established for priorities supporting innovative actions. Cross-border cooperation programmes under the European territorial cooperation goal (Interreg) are to be financed at a maximum rate of 70%.

To benefit from the Cohesion Policy funding, Member States have to conclude Partnership Agreements with the European Commission, which are strategic plans outlining each country's goals and investment priorities and setting out the use of Cohesion Policy funding.

A simplified, more flexible implementation framework

The regulatory framework of the Cohesion Policy 2021-2027 is also governed by simplification and flexibility principles, especially in terms of implementation and use of the different funds. The new CPR puts forward nearly **80 simplification measures** which will allow for less red tape, simpler ways to claim payments and greater empowerment of local and urban authorities in the management of EU funds.

Transfer of resources from one priority/fund to another will be allowed in the new framework without the formal approval of authorities. Member States will be allowed to transfer up to 20% (25% for the Czech Republic) between Cohesion Policy funds and up to 5% between the other funds in the CPR. The Commission also proposes **lighter controls on budget implementation**, with an increased reliance on national procedures of check-and-balance.

Another important simplification measure relies on the enforcement of the **ex-ante conditionalities** – the heaviest administrative burden for beneficiaries in the 2014-2020 period. Ex-ante conditionalities will be replaced be lighter, fewer 'enabling conditions', leading to a quicker disbursement of funds.

As mentioned above, the simplification measures which will govern the new Cohesion Policy brought under the same framework eight investment funds whose management is shared between the European Commission and Member States. The European Regional Development Fund and the Cohesion Fund, together with the European Social Fund Plus form the Cohesion Policy funds with an **overall earmarked budget of €330 bn**.

European Regional Development Fund (ERDF)

Budget MFF: €200.4 bn

The European Regional Development Fund aims to **strengthen economic, territorial and social cohesion** in the European Union by correcting development imbalances between its regions. The ERDF will focus its investments on several key priority areas known as 'thematic concentrations':

- Innovation and research;
- Digital agenda;
- Support for small and medium size enterprises (SMEs);
- Environment and the zero-carbon economy.

In 2021-2027, the ERDF will have a special focus on **sustainable urban development.** Cities will be able to unlock at least 8% of the ERDF budget via cross-cutting actions. Moreover, the ERDF puts forward a new instrument – the <u>European Urban Initiative</u> - which will offer support for cities according to the Urban Agenda for the EU. In the framework of this initiative, cities will be able to join forces for innovative approaches to address urban challenges.

Cohesion Fund (CF)

Budget MFF: €42.5 bn

The Cohesion Fund targets the **reduction of economic and social disparities** through investment in the environment and Trans-European Transport Networks (TEN-T). It is destined for the use of those Member States whose Gross National Income (GNI) per inhabitant over the period 2015-2017 was less than 90% of

the EU average. In 2021-2027 these are Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.

The CF will support environmental infrastructure and priority EU projects in TEN-T. It will also cover projects of energy efficiency, use of renewable energy or sustainable urban mobility presenting clear environmental benefits.

European Social Fund Plus (ESF+)

Budget MFF: €87.9 bn

The European Social Fund Plus aims at supporting Member States to tackle the crisis caused by the COVID-19 pandemic, achieve high employment levels, fair social protection and a skilled and resilient workforce ready for the transition to a green and digital economy. In a nutshell, ESF+ will be the EU's main instrument for investing in people and will finance the implementation of the European Pillar for Social Rights principles, focusing on actions in the areas of employment, social inclusion, education and skills.

The ESF+ Regulation integrates the former European Social Fund (ESF), the <u>Youth Employment Initiative (YEI)</u>, the <u>Fund for European Aid to the Most Deprived (FEAD)</u> and the new <u>Programme for Employment and Social Innovation (EaSI)</u>. With all these strands under one funding instrument, the ESF + will specifically:

- Invest in young people who have been particularly hit by the crisis following the coronavirus pandemic. At least 12.5% of the ESF+ resources will be dedicated to support these young people in finding jobs or qualifications in those Member States which are above the EU-27 average rate of youth outside of employment, education or training (NEETs).
- Invest in children who have suffered the effects of the crisis. At least 5 % of the ESF+ resources will be dedicated to address child poverty in those Member States with a level of child poverty above the EU-27 average.
- **Support the most vulnerable** suffering from job losses and income reduction. At least 25% of the ESF+ resources will be dedicated to promote social inclusion in all Member States.
- Provide food and basic material assistance to the most deprived, from the Fund for the European Aid to the Most Deprived (FEAD) strand. At least 3% of the ESF+ resources will be devoted to this.
- Support social innovation, social entrepreneurship and cross-border labour mobility through the new EaSi strand (EU Programme for Employment and Social Innovation). With a budgetary envelope of €677mn, EaSI will support analytical activities, capacity building and transnational/cross-border cooperation to strengthen social protection and social inclusion, fair working conditions, equal access to the labour market and to enhance labour mobility. EaSI will be centrally managed by the European Commission.

For best practice examples of sport initiatives developed with ERDF, CF and ESF funds, visit the <u>SHARE</u> database of best practices.

Timeline of implementation

- 1 December 2020: Political agreement was reached by the European Parliament and the Council on the Commission's proposal for a Common Provisions Regulation.
- **2 December 2020**: Political agreement was reached by the European Parliament and the Council on the Commission's proposal for the European Territorial Cooperation Programme (Interreg).
- 8 December 2020: Political agreement was reached by the European Parliament and the Council on the Commission's proposal for the European Regional Development Fund and the Cohesion Fund.
- 29 January 2021: Political agreement was reached by the European Parliament and the Council on the Commission's proposal for the European Social Fund Plus.
- **2020-2021:** Negotiations between the European Commission and Member States on the National Partnership Agreements.

- First semester 2021: National Partnership Agreements to be signed.
- **2024:** Mid-term review of Cohesion Policy and of Member States' total allocations under the Investment for jobs and growth goal of Cohesion Policy for the years 2025-2027.

Guidelines for sport stakeholders

1. Illustrate the need for investments in the sport sector as an important contributor to EU climate target and sustainability objectives

Sport stakeholders have the opportunity to make the case at national and local levels for sport and physical activity as important contributors to the transition to a climate-neutral economy through sustainable transport, active lifestyle, citizen resilience and community initiatives. The ERDF and CF 30% and 37% spending quotas to meet specific climate targets pave the way for strategic cohesion investments in the sport and wider physical activity sector. These arguments may ensure a place for sport in the National/Regional Operational Programmes further guiding the investment of Cohesion Policy funds.

2. Aim to make sport visible in the regional development agenda

Local and regional sport stakeholders should make contact with the authorities managing the Cohesion Policy funds locally, with the aim to promote the sport sector as a relevant actor in the regional development process. Their narrative should be based on the cross-sectoral nature of sport and its important contribution to economic growth and jobs, innovation, social cohesion, skills development and employability, or territorial regeneration. The overall objective is to ensure local support for the inclusion of sport in regional development with the help of Cohesion Policy funds.

3. Extend at national level

National sport associations are encouraged to reach out to their own governments (Ministries responsible with EU funding and Cohesion Policy) to promote a development strategy for the sport sector, highlighting the important contribution sport makes to the five investment objectives of Cohesion Policy and to the engagement of communities on the ground. In the context of the COVID-19 pandemic, the recovery and further development of the sport sector has the potential to be funded complementarily via the Recovery and Resilience Facility from the Next Generation EU.⁴ The commitment of local and regional actors is an important advantage in this endeavour.

4. Build capacity for national and regional managing authorities to enable the funding of sport through Cohesion Policy funds

Sport stakeholders are encouraged to partner with National Sport Ministries to develop and promote informative sessions on the potential of sport for regional development highlighting ways in which sport initiatives might benefit from Cohesion Policy funding at national, regional and local levels. The beneficiaries of these sessions should be national and regional managing authorities of Cohesion Policy funds and local sport stakeholders.

Important note: Despite the fact that the Partnership Agreements (still under negotiation) and National Operational Programmes may not directly specify sport as a beneficiary of Cohesion Funds in its own right, the sport sector can still benefit from these funds in the 2021-2027 period, as sport and physical activity remain important contributors and strategic sectors to invest in, in order to fulfil the overarching EU policy objectives regarding green transition, digitalisation and social cohesion.

⁴ For more details on the Next Generation EU Funding, consult the SHARE Background Paper on the "Next Generation EU: How can the sport sector benefit?" and interactive application: https://keanet.eu/research-apps/share-initiative-ngeu/

Erasmus +

Background

Erasmus + is the EU's programme to support education, training, youth and sport in Europe. It is the only funding programme in the MFF which has a section specifically dedicated to the sport sector. The overall earmarked 2021-2027 budget of around €26.2 bn is nearly double the funding compared to its predecessor programme (2014-2020) For the 2021-2027 period €470 million is foreseen for the sport chapter. The current programme places a strong focus on social inclusion, the green and digital transitions and the promotion of youth's participation in democratic life. Erasmus + supports the European Pillar of Social Rights, implements the EU Youth Strategy 2019-2027 and develops the European dimension in sport⁵.

Erasmus + offers mobility and cooperation opportunities in:

- Higher education
- Vocational education and training
- School education (including early childhood and care)
- Adult education
- Youth
- Sport

As such, the 2021-2027 programme features 4 key actions:

- **Key Action 1: Learning mobility of individuals** aiming to support pupils, students, trainees, apprentices, adult learners but also education professionals to improve their employability, learning performance, digital and social competences, intercultural awareness, etc.
- **Key Action 2: Cooperation among organisations and institutions** aiming to support the development, transfer and implementation of innovative practices at organisational, local, regional, national or European levels through various partnership types, capacity building projects and not-for-profit events.
- **Key Action 3: Support to policy development and cooperation** aiming to support policy cooperation at EU level, thereby contributing to new policies which can trigger modernisation and reforms in the fields of education, training, youth and sport.
- **Jean Monnet Actions** offer opportunities in the field of education and training to spread knowledge about the European Union integration matters.

Timeline of implementation

- 11 December 2020: Informal political agreement was reached by the European Parliament and the Council on the Commission's proposal for the Erasmus+ Programme.
- 1 January 2021: Start of the implementation of the programme.
- 25 March 2021: The first annual work programme is adopted and first calls for applications are launched.
- 20 May 2021: Formal adoption by the European Parliament and the Council of the Regulation establishing the Erasmus + Programme.

How can the sport sector benefit?

The sport specific priorities closely align with the programme's overarching objectives:

Encouraging the participation in health-enhancing physical activity;

⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Developing the European Dimension in Sport, Brussels 18.1.2011, COM(2011) 12 final, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011DC0012&from=EN

- Promoting integrity and values in sport;
- Developing grassroots dimensions.

Specific sub-actions for sport are featured in all of the three key actions of the programme mentioned above. For instance, Key Action 1 specifically supports the mobility of sport coaches and staff, Key Action 2 finances not-for-profit events in the field of sport and Key Action 3 offers support in the implementation of the European Week of Sport and the implementation of EU guidelines (EU Physical Activity Guidelines and EU Guidelines on Dual Careers of Athletes).

The 2021 Annual Work programme implements the following sport-focus actions:

- 1. Partnerships for Cooperation in the sport field (€30.6 million) and Small-scale Cooperation Partnerships (€7 million) which will support projects encouraging the participation in sport and physical activity, promoting integrity and values in sport, promoting education in and through sport or combating violence and tackling racism, discrimination and intolerance in sport.
- 2. **Not-for-profit European sport events (€4 million)** aiming to support the organisation of events with a European dimension in the following fields: volunteering in sport, social inclusion through sport, non-discrimination, health-enhancing physical activity, including the implementation of the European Week of Sport.
- 3. Various actions implemented under indirect management, such as Cooperation with the Council of Europe, Cooperation with Member States, Presidency events in the field of sport, Dialogue with sport stakeholders (total amount of €6.2 million).
- 4. Prizes, including the #BeInclusive and #BeActive EU Sport awards (€90,000 overall).
- 5. Evidence-based activities, such as studies, survey and support services to networks (€800,000).

Sport stakeholders wishing to apply for calls open under the Erasmus+ programme for 2021 can do so on the <u>Funding & Tender opportunities portal</u>.

EU4Health

Background

As part of the social and economic response to the COVID-19 pandemic, the European Commission has proposed a new, ambitious stand-alone health programme for the 2021-2027 period – the EU4Health Programme – with a budget of €5.1 bn. EU4Health will make a significant contribution to the post-COVID-19 recovery by making the EU population healthier, by strengthening the resilience of health systems so they can face epidemics and long-term challenges, and by promoting innovation in the health sector. Part of the 'Cohesion, Resilience and Values' spending area, EU4Health becomes the largest health programme ever in monetary terms. As a matter of fact, the new EU4Health programme overwrites the Commission's initial proposal for a health strand under the ESF+ with a budget of €413 million.

EU4Health will invest in actions with an EU added value, complementing Member States' health policies and pursuing the programme's objectives:

- Improve and foster health in the Union;
- Protect people from serious cross-border health threats;
- Improve medicinal products, medical devices and crisis-relevant products;
- Strengthen health systems.

EU4Health is a European Commission centrally-managed programme. It will be implemented through annual work programmes and calls for applications by a new agency, the Health and Digital Executive Agency. Member States are consulted on the priorities and strategic orientations of the programme and work together with the Commission in the 'EU4Health Steering Group' to ensure consistency and complementarity

with national health policies. Member States provide their opinion before the annual work programmes are adopted.

Stakeholders, including representatives of civil society and patients, organisations of health professionals, academics, provide their input on the strategic orientation of the programme and on the priorities to be addressed by the annual work programmes.

The annual work programme for 2021 is still under preparation. The actions of this year's work programme will fall under four strands: disease prevention, crisis preparedness, health systems, and digital, with a cross-cutting focus on cancer.

Timeline of implementation

- **15 December 2020:** Provisional political agreement was reached by the European Parliament and the Council on the Commission's proposal for a EU4Health Programme.
- **24 March 2021**: Adoption by the European Parliament and the Council of the Regulation establishing the EU4Health Programme.
- **26 March 2021**: EU4Health Programme enters into force.
- 1 April 2021: Start of the implementation of the programme.
- First semester 2021: Calls for applications under the EU4Health are launched.

How can the sport sector benefit?

The sport sector can make a significant contribution to the Programme's objectives, as sport and physical activity are well-known for increasing health levels and resilience. Insufficient physical activity is a leading risk factor for several non-communicable diseases, such as cardiovascular disease, diabetes and cancer and has been identified as the fourth risk factor for global mortality (6% of deaths globally).⁶ Moreover, a study which examined the relationship between physical fitness and resilience concluded that physical activity confers resilience to the body by protecting against the potential consequences of stressful events and preventing many chronic and stress-related diseases and disorders.⁷ This is particularly important in the recovery from the coronavirus pandemic and in the prevention of possible future global health threats and as part of the movement from a reactive healthcare system to care for health, which anticipates and prevents illness.

As a result, the Regulation establishing the EU4Health programme explicitly mentions the practice of physical activity as a concrete means of health promotion and disease prevention. Therefore, the promotion of physical activity is mentioned in the list of actions meeting the objectives of the programme and thus eligible for the implementation of the programme. Concretely, sport-related initiatives might benefit from funding form EU4Health in 2021 under the strand related to disease prevention or under the cross-cutting element focusing on cancer.

⁶ Dr I-Min Lee, ScD, Peter T Katzmarzyk et al, 'Effect of physical inactivity on major non-communicable diseases worldwide: an analysis of burden of disease and life expectancy', in The Lancet, Vol 380, Issue 9838, pp 219-229, 2012, https://doi.org/10.1016/S0140-6736(12)61031-9

⁷ Patricia Deuster, Marni Silverman, 'Physical fitness: A pathway to health and resilience', Researchgate, 2013.

National Resources and Environment

European Agricultural Fund for Rural Development (EAFRD)

Background

The Common Agricultural Policy (CAP) traditionally has been designed to ensure Europe's food security and to support European farmers. Nevertheless, the CAP has evolved during past years to support not only a sustainable, resilient and competitive agricultural sector, but to enable a strong and vibrant socio-economic development in rural areas with an increased focus on the environment and climate issues.

For the 2021-2027 period, the CAP will account for about a third of the EU's long-term budget, with €348.3 bn, and will be divided between two pillars: direct support for farmers and rural development. As part of the rural development policy, CAP will support direct investments in rural areas to stimulate growth, jobs, climate and environmental actions.

Two main financial instruments will operate on the basis of the two pillars of CAP:

- European Agricultural Guarantee Fund (EAGF) in the first pillar has an allocation of €258.5 bn. Up to 90% will be provided for income support schemes, with the remainder dedicated to supporting agricultural markets.
- European Agricultural Fund for Rural Development (EAFRD) in the second pillar has a total allocation of €85.3 bn. This includes €77.8 bn from the MFF and €7.5 bn from the Next Generation EU recovery instrument to help address the challenges posed by the COVID-19 pandemic. Around 30% of the recovery funds will become available in 2021, with the remaining 70% to be released in 2022.

The second pillar of the CAP focuses on rural development, reinforcing the first pillar of income supports and market measures by strengthening the social, environmental and economic sustainability of rural areas. Under CAP, rural development is implemented through three long-term objectives:

- fostering the competitiveness of agriculture and forestry;
- ensuring the sustainable management of natural resources, and climate action;
- achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.

Member States implement EAFRD funding through Rural Development Programmes (RDPs). They have to be submitted to the Commission for approval, to illustrate how Member States plan to spend these resources and to disburse these funds to beneficiaries. The investments planned under the RDP should use at least:

• 55% of expenditure to promote economic and social development in rural areas

Each RDP must work towards at least four of the six priorities of the EAFRD:

- fostering knowledge transfer and innovation in agriculture, forestry and rural areas;
- enhancing the viability and competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management;
- promoting food chain organisation, animal welfare and risk management in agriculture;
- promoting resource efficiency and supporting the shift toward a low-carbon and climate resilient economy in the agriculture, food and forestry sectors;
- restoring, preserving and enhancing ecosystems related to agriculture and forestry;
- promoting social inclusion, poverty reduction and economic development in rural areas.

Funding allocation method

The expenditure of EAGF and EAFRD is implemented under shared management between the European Commission and EU countries. In order to benefit from the Common Agricultural Policy, Member States have to develop the so-called CAP Strategic Plans at national level. These plans will show how Member States intend to address their specific needs via a wide range of targeted interventions and how these will deliver tangible results in relation to EU-level objectives, while contributing to the Green Deal ambition. As part of the CAP strategic plans, Member States need to produce a thorough assessment of their needs based on a SWOT analysis of their agri-food sector.

CAP Strategic Plans are due to be implemented from 1 January 2023. During the 2021-2022 period, the preceding 2014-2020 CAP Regulations will continue to apply, as set out in the Transitional Regulation adopted in December 2020. The transitional regulation will also include new elements to make a stronger contribution to the European Green Deal and to ensure a smooth transition to the future framework of the CAP strategic plans. During these two years, funding will be drawn from the CAP's budget allocation for 2021-2027.

The transitional period should provide enough time for the EU legislators to agree on the legal framework of the future CAP and to Member States with sufficient time to design and prepare for the implementation of their respective CAP strategic plans, with the assistance of the Commission.

Member States will have the option to transfer up to 15% of their CAP allocations between direct payments (ensured by the first pillar of CAP) and rural development (second pillar). This will allow them to better adapt the policy to their farming sector's priorities and better deliver on the ambitions of the Green Deal.

The CAP funding mechanisms ensure several co-financing rates: 70% for less developed regions, 43% for other regions, 65% for agri-environmental support, 80% for certain rural development support (e.g., LEADER); 100% for amounts transferred from direct payments.

Timeline of implementation

- **27 November 2020:** Political agreement between the European Parliament and the Council on the Common Agricultural Policy rules for the transitional period of 2021-2022.
- **23 December 2020:** Adoption by the European Parliament and the Council of the Common Agricultural Policy rules for the transitional period of 2021-2022.
- **01 January 2023:** CAP Strategic Plans are due to enter into force.
- 2023-2027: EARDF funding disbursed under the reformed CAP.

How can the sport sector benefit?

The sport sector in general, and the active tourism sport sector in particular can both directly and indirectly benefit from the European Agricultural Fund for Rural Development. The active tourism sport sector is relevant as it allows economic diversification and innovation in rural areas, by generating activity and services. Outdoor sports development programmes and transition initiatives can be part of **economic and social development** projects funded through EAFRD which are key in the implementation of the programme. Outdoor sports and activity tourism contribute to the European Commission Long-Term Vision for rural areas addressing the current environmental challenges and proposing sustainable development patterns for rural territories.

Guidelines for sport stakeholders

1. Engage with local & regional authorities

The activity tourism and sports sector should contact their regional/local authority responsible for the implementation of EAFRD and ensure sport and activity tourism are taken into consideration when

implementing EAFRD investments. This can be achieved in relation to EAFRD specific priorities of supporting the transition to a low-carbon economy, of promoting social inclusion, poverty reduction and economic development in rural areas. Engagement with LEADER/CLLD and Local Action Groups is also important for the sector.

The Just Transition Fund (JTF)

Background

The Just Transition Fund is a key element of the European Green Deal and the first pillar of the **Just Transition Mechanism**, which aims to assist regions with a heavy dependency on energy production and the extractive industries (extraction of coal, lignite, peat, shale oil) to address the social consequences of transition to a greener economy. The Just Transition Fund has an **earmarked budget of €7.5 bn from the MFF 2021-2027**.

The primary objective of the JTF is to enable these regions and their people to address the social, employment, economic and environmental impacts of transition towards the Union's 2030 target for climate and a climate neutral economy by 2050, based on the Paris Agreement.

To unlock funding from the JTF, Member States have to submit their Territorial Just Transition Plans (TJTPs). These plans should outline the **specific intervention areas** based on the economic and social impacts of the transition and identify the **eligible territories** that are expected to be most negatively impacted by the green transition. The TJTPs should be consistent with the <u>regional smart specialisation strategies</u> (RIS3) and the <u>National Energy and Climate Plans</u>. Member States have to commit **to match each EURO from the Just Transition Fund with money from the European Regional Development Fund (ERDF) and the European Social Fund Plus (ESF+) and provide additional resources. The approval of the TJTPs enables access to all three pillars of the Just Transition Mechanism**.

Member States have to submit their TJTPs **by the first half of 2021**. The Commission will next assess the TJTPs and adopt the JTF support programmes for the Member States by the end of 2021. The disbursement of JTF funds through the MFF will happen during 2021-2027 and will complement the JTF funding from the Next Generation EU.⁸

In a <u>preliminary analysis</u>, the European Commission already proposed country-specific recommendations for eligible territories and the following key investment areas for eligibility under the JTF:

Key investment areas	Possible investment opportunities for the sport sector
Research and innovation.	Develop smart specialisation strategies around sport ⁹ ;
Foster the transfer of advanced	Encourage developments in sport technology with spill-overs
technologies	in healthcare, education etc.
Technology and infrastructures.	Invest in sustainable sport infrastructure and facilities and
Affordable clean energy	improve the energy efficiency of existing buildings; Promote
Greenhouse gas emission	active travel and sustainable transport; Invest in innovative
reduction	sport solutions that will produce a lower carbon impact;
Energy efficiency and renewable	Invest in green infrastructure that improves biodiversity and air
energy	quality in urban settings while delivering increased
	opportunities for health-enhancing physical activity.
Upskilling and reskilling of workers	Increase skills development and employability through sport
	and physical activity; Upskill long-term unemployed to work in
	the sport sector; Develop citizens' soft skills through sport.
SMEs (including start-ups).	Invest in SMEs in the sport sector to facilitate their transition
	to the low-carbon economy; Diversify economic activities

⁸ For more details on the Next Generation EU Funding, consult the SHARE Background Paper on the "Next Generation EU: How can the sport sector benefit?" and interactive application: https://keanet.eu/research-apps/share-initiative-ngeu/

⁹ Inspired by the thematic area on sport (https://s3platform.jrc.ec.europa.eu/sport-vitality) under the Smart Specialisation Platform for Industrial Modernisation and by the Smart Specialisation Strategies around sport developed by regions across the EU as per the EYE@RIS3 database (https://s3platform.jrc.ec.europa.eu/map)

Economic diversification and	traditionally connected to rural/coastal areas through active
redeployment	tourism.
Regeneration and decontamination.	Invest in repurposing areas (for instance abandoned fossil fuel-
of sites, land restoration and	based land) towards a service economy through sustainable
repurposing projects	and green sport infrastructure and facilities and sustainable
	transport.
Creation of new firms.	Facilitate the development of regional innovation hubs,
Business incubators/consulting	implement triple and quadruple-helix development models
services	based on sport and physical activity ¹⁰ ; Promote sport-based
	social enterprise
Circular economy	Invest in improving the energy efficiency of existing sport
	infrastructure, including waste energy usage. Encourage sport
	contributions to community transition initiatives.

The distribution of the Just Transition Fund budget to Member States is based on five socio-economic criteria, each of which has a different weighing factor in the calculation. Half of the allocation is based on economic criteria (production of greenhouse gas emissions), while the other half is based on social criteria (employment data):

- 49% of allocation to regions (NUTS2) with a high-carbon intensity;
- 0.95% of allocation to production of peat;
- 0.05% of allocation to production of oil shale and oil sands;
- 25% of allocation for employment in carbon-intensive industry (2016 data);
- 25% of allocation for employment in mining of coal and lignite (2018 data).

The European Commission published the allocations per Member State under the Just Transition Fund.

Timeline of implementation

- **11 December 2020:** Provisional Political agreement was reached by the European Parliament and the Council on the Commission's proposal for the Just Transition Fund.
- **First semester 2021:** Member States prepare Territorial Just Transition Plans that cover the period up to 2030 and submit them to the Commission.
- **Second semester 2021:** The Commission assesses the Territorial Just Transition Plans and adopts the JTF support programmes for the Member States.
- 2021-2027: Distribution of Just Transition Fund resources through the Multiannual Financial Framework.
- 2025: The Commission reviews the implementation of the Just Transition Fund.
- 2030: Completion of the Just Transition process.

Guidelines for sport stakeholders

1. Aim to make sport visible for the transition agenda

The sport sector can only benefit from the Just Transition Fund if it is included in the TJTPs. The National Plans should be prepared together with relevant local/regional parties and in dialogue with the Commission. As such, regional sport stakeholders should contact their regional/local authority and ensure sport is taken into consideration in the overall transition strategy.

2. Understand how sport contributes to overcoming the challenges related to green transition in the eligible territories

¹⁰ See further, SHARE background paper, The role of universities in sport ecosystems: Towards triple and quadruple helix models for sport policy developments, 2021, https://keanet.eu/wp-content/uploads/SHARE-The-role-of-universities-in-sport-ecosystems.pdf

Sport stakeholders should consult the Commission's <u>preliminary analysis</u> to understand which are the eligible territories for the JTF in their country and what are the challenges identified by the Commission in the just transition process. Based on this information, they can identify how the sport sector could contribute best to overcome these challenges, based on the regional specificities and making use of SHARE guidance on these issues.

3. Support the inclusion of sport in regional smart specialisation strategies

The TJTPs have to be aligned with the regional smart specialisation strategies in the Member States. Based on a preliminary understanding of regional challenges (point 2), regional sport stakeholders are in a position to contact the regional authorities responsible for the development of RIS3 and launch a discussion on how sport could fit in the upcoming (or revised) strategies.

4. Advocate for sport as part of the national just transition strategy

Sport stakeholders active at national level should contact the Member State's Ministry of Health and/or Sport to coordinate with the other appropriate ministries (Ministry of Finance, Economic Affairs) and ensure that the sport sector is included in the TJTPs.

Programme for Environment and Climate Action (LIFE)

Background

The LIFE programme is the EU's funding instrument for **the environment and climate action**. It is part of the 'Natural Resources and Environment' spending area in the MFF 2021-2027 and has an **earmarked budget of €4.8 bn**. The general objective of LIFE is to contribute to the **implementation**, **updating and development of EU environmental and climate policy** by co-financing projects with European added value.

LIFE is centrally managed by the European Commission – the European Climate, Infrastructure and Environment Executive Agency (CINEA).

For the 2021-2027 period, LIFE will be divided into four strands:

- **Nature and bio-diversity** aiming at the protection and restoration of Europe's nature and halting and reversing biodiversity loss;
- **Circular economy and quality of life** aiming at facilitating the transition toward a sustainable, circular, toxic-free, energy-efficient and climate-resilient economy and at protecting, restoring and improving the quality of the environment;
- Climate change mitigation and adaptation contributing to the shift towards a sustainable, energyefficient, renewable energy-based, climate-neutral and resilient economy, thereby contributing to
 sustainable development;
- Clean energy transition supporting the delivery of EU policies in the field of sustainable energy, in
 particular, the European Green Deal, the Energy Union (2030 energy and climate targets) and the
 European Union's 2050 long-term decarbonisation strategy. The strand will fund coordination and
 support actions (Other Action Grants) across Europe of high EU added-value, which are targeted at
 breaking market barriers that hamper the socio-economic transition to sustainable energy, and
 typically engage multiple small and medium-sized stakeholders, multiple actors including local and
 regional public authorities and non-profit organisations, as well as consumers.

Funding strands	Possible investment opportunities for the sport sector
Circular economy and quality of life	Develop innovative solutions for the recovery of waste
	resources in the sport sector, e.g., during large sport events;
	Develop innovative solutions to lower the carbon footprint of
	SMEs active in the sport industry (greening the sport industry).
Climate change mitigation and	Invest in sustainable sport infrastructure and facilities and
adaptation	improve the energy efficiency of existing buildings;
	Invest in green infrastructure that encourage health-enhancing
	physical activity, such as green sustainable transport; Promote
	the participation of sport organisations in community
	transition initiatives.
Clear energy transition	Develop cooperation projects across regions in Europe which
	encourage knowledge and experience exchange in the areas of
	sport innovation, investments in sustainable transport in urban
	and rural areas, investments in repurposing areas and sport
	involvement in community projects etc.

Negotiations for LIFE multiannual work programmes 2021-2024 and 2025-2027 are ongoing. These will include additional information on:

- the four strands;
- funding allocation;
- types of projects and co-financing rates;
- submission and selection procedures, including award criteria;
- Calls for Proposals' timelines;

The first calls for proposals will be published after the adoption of the programmes.

Timeline of implementation

- 29 April 2021: Adoption by the European Parliament and the Council of the Regulation establishing the Programme for the Environment and Climate Action (LIFE).
- First semester 2021: Adoption of the LIFE multiannual work programmes 2021-2024 and 2025-2027.
- Summer 2021: Launch of the first call for proposals.
- Autumn 2021: Deadline for sending applications.
- 2021-2022: Evaluation of the applications.
- Second half 2022: Signature of grants.

How can the sport sector benefit?

The sport sector can benefit from funding through the LIFE programme, given the importance of sport and physical activity in tackling environmental issues. Calls for applications of interest for the sport sector might be published under the strands 'Circular economy and quality of life', 'Climate change mitigation and adaptation' or 'Clean energy transition'. Sport stakeholders should follow the updates on the adoption of LIFE multiannual work programme and the upcoming publication of the call for applications on the <u>CINEA</u> <u>website</u> and on the <u>Funding & Tender opportunities portal</u>.

Single Market, Innovation and Digital

InvestEU

Background

InvestEU is Europe's flagship investment programme aiming to encourage public and private participation in financing and investment operations by providing guarantees from the EU's long-term budget. With an earmarked budget of €2.8 bn from the MFF, the total EU budget guarantee reaches €26.2 bn (together with the provisions set out through Next Generation EU)¹¹ and will support the investment of its implementing partners. InvestEU brings together and further develops various funds that were previously available under separate EU initiatives and programmes.

The InvestEU programme is expected to mobilise around €370 bn in investments, contributing to the recovery, while ensuring a strong investor focus on the EU's medium- and long-term policy priorities. At least:

30% of the investments under InvestEU will contribute to EU climate objectives.

The InvestEU budget guarantee will be deployed across 4 policy windows:

Policy Windows	Possible investment opportunities for the sport sector	
Sustainable infrastructure	Invest in improving energy efficiency of existing sport	
	infrastructure, including waste energy usage, and in new energy	
	efficient sport centres combining sport, innovation and research	
	to create growth and jobs in urban and rural territories.	
Research, Innovation and Digitisation	Encourage developments in sport technology with spill-overs in	
	healthcare, education etc.	
SMEs	Invest in SMEs in the sport and related sectors to facilitate their	
	transition to the low-carbon economy.	
Social Investment and Skills	Invest in sport-led community transition initiatives and direct	
	and soft skills development through sport training programmes.	

InvestEU will provide a dedicated **Just Transition Scheme** as the second pillar of the Just Transition Mechanism (see The Just Transition Fund on page 16 for first pillar) to generate additional investment for the benefit of just transition regions within the approved Territorial Just Transition Plans (TJTPs). The scheme will be established **horizontally across all policy windows** of the InvestEU mechanism.

Member States are able to implement part of their Recovery and Resilience National Plans via the InvestEU programme and the <u>InvestEU Advisory Hub.</u> The latter is envisioned as the central entry point for project promoters and intermediaries seeking advisory support and technical assistance related to centrally managed EU investment funds.

The <u>InvestEU Portal</u> is an EU-wide platform which brings together project promoters (responsible for project applications) and investors. The Portal promotes the visibility of EU-based projects seeking financing and provides international investors with information about investment opportunities. The Portal provides a pipeline of investment projects to the Implementing Partners under the InvestEU programme.

The InvestEU Fund will be implemented through financial partners who will invest in projects using the EU guarantee. The main partner will be the European Investment Bank (EIB) Group, which has successfully

¹¹ For more details on the Next Generation EU Funding, consult the SHARE Background Paper on the "Next Generation EU: How can the sport sector benefit?" and interactive application: https://keanet.eu/research-apps/share-initiative-ngeu/

implemented and managed European Fund for Strategic Investments (EFSI) since its launch in 2015. In addition to the EIB Group, International Financial Institutions active in Europe – such as the European Bank for Reconstruction and Developments (EBRD) - and National Promotional Banks will have direct access to the EU guarantee. The EU guarantee is split 75%-25% between the EIB Group and all other implementing partners.

Timeline of implementation

- **24 March 2021:** Adoption by the European Parliament and the Council of the Regulation establishing the InvestEU programme.
- 26 May 2021: InvestEU enters into force with retroactive application from 1 January 2021.
- **September 2024:** The Commission submits an independent interim evaluation report of the InvestEU programme to the European Parliament and the Council.
- 2021-2027: Implementation of projects/investments under InvestEU.

Eligibility criteria

In order to benefit from InvestEU financing, potential projects must:

- Address market failures or investment gaps and be economically-viable;
- Need EU backing in order to get off the ground;
- Achieve a multiplier effect and where possible crowd-in private investment;
- Help meet EU policy objectives.

Guidelines for sport stakeholders

1. Reflect on investment gaps and economically-viable projects in the sport sector

InvestEU provides the opportunity for sport stakeholders, especially the sport industry, to finance their investment ideas and translate them into viable economic projects. The sport industry should therefore reflect on investment gaps in the sport sector and develop economically-viable plans in consultation with different stakeholders including academia and public authorities.

2. Check resources available in your country

The InvestEU Advisory Hub provides a list of resources (including local, regional and national financial intermediaries who support the implementation of InvestEU in the EU Member States). Sport stakeholders who wish to finance projects in the sport sector could check the resources available in their country to find tailored support for their application here.

3. Add your project in the InvestEU Portal

Sport stakeholders could <u>send</u> their applications (including the economic plan for their sport-based project) to the InvestEU Portal where it will be screened and quality-checked by EU experts. Once admitted, the application would gain visibility to a large network of international investors, including the implementing partners under the InvestEU programme, thus boosting the chances to attract interest and finances for the project.

Horizon Europe

Background

Horizon Europe is the largest transnational programme ever supporting research and innovation. The new EU research and innovation programme has a budget of €81.4 bn for 2021-2027, with €76.4 bn from the MFF and €5 bn from Next Generation EU.¹²

The objective of Horizon Europe is to provide valuable support to top researchers and innovators to drive the systemic changes needed to ensure a **green**, **healthy and resilient Europe**. The programme will increase its impact by working closely with other EU programmes and policies, such as **InvestEU**, **EU Cohesion Policy**, **Digital Europe**, and the **Recovery and Resilience Facility**.

For the first time in the history of the framework programme, regions can (voluntarily) transfer part of their regional funds to Horizon Europe to be used in research and innovation activities in their region. Moreover, €10 bn of the Horizon Europe total budget will support the CAP policy. Therefore, this budget will be invested in research and innovation in food, agriculture, rural development and the bioeconomy.

Five specific missions will be launched under Horizon Europe in 2021:

- adaptation to climate change including societal transformation;
- cancer;
- climate-neutral and smart cities;
- healthy oceans, seas, coastal and inland waters;
- soil health and food.

Horizon Europe will be implemented according to three pillars:

- Excellent science;
- Global challenges and European industrial competitiveness;
- Innovative Europe.

The second pillar supports collaborative research through thematic clusters that address a wide range of global challenges: health, culture, creativity and inclusive society, civil security for society, digital, industry and space, climate, energy and mobility and food, bioeconomy, natural resources, agriculture and environment. The accompanying work programmes will identify the specific research and innovation areas that will be funded.

A novelty for the Horizon Europe programme is the development of two multi-annual strategic plans, setting the strategic orientations of investments in the next four years: 2021-2024 and 2024-2027. The first strategic plan was adopted in March 2021 and sets four strategic orientations under Horizon Europe:

- Promoting an open strategic autonomy by leading the development of key digital, enabling and emerging technologies, sectors and value chains;
- Restoring Europe's ecosystems and biodiversity, and managing sustainably natural resources;
- Making Europe the first digitally enabled circular, climate-neutral and sustainable economy;
- Creating a more resilient, inclusive and democratic European society.

International cooperation underpins all four orientations, as it is essential for tackling many global challenges.

Strategic orientations	Possible investment opportunities for the sport sector
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¹² For more details on the Next Generation EU Funding, consult the SHARE Background Paper on the "Next Generation EU: How can the sport sector benefit?" and interactive application: https://keanet.eu/research-apps/share-initiative-ngeu/

Promoting an open strategic	Invest in research and innovation in the sport sector, including
autonomy by leading the	digital technologies that enable performance measurement
development of key digital, enabling	and promote the practice of health-enhancing physical activity.
and emerging technologies, sectors	
and value chains	
Restoring Europe's ecosystems and	Invest in research and innovation for the development of
biodiversity, and managing	green infrastructures that improve biodiversity and air quality
sustainably natural resources	in urban settings while encouraging health-enhancing physical
	activity.
Making Europe the first digitally	Develop innovative practices to enable a circular economy in
enabled circular, climate-neutral and	the sport sector, including for instance the recovery of waste
sustainable economy	resources during large sport events.
Creating a more resilient, inclusive	Develop innovations that combine technological and social
and democratic European society	innovation with application in the field of sport to promote
	inclusiveness and to support social cohesion (for instance
	large-scale technologies and applications that measure racist
	and violent behaviour during large sport events)

Timeline of implementation

- **11 December 2020:** Political agreement between the European Parliament and the Council on the Regulation establishing the Horizon Europe programme.
- 15 March 2021: Adoption of the first strategic plan for Horizon Europe 2021-2024.
- **27 April 2021:** Adoption by the European Parliament and the Council of the Regulation establishing the Horizon Europe programme.
- April 2021: The Commission publishes a draft of the annual work programme 2021-2022.
- April 2021: First Horizon Europe calls are open.

How can the sport sector benefit?

The sport sector can benefit from various components of Horizon Europe by showcasing its potential contribution to the objectives of the programme. The sport sector could contribute to the overarching EU priorities of transitioning to a green and digital economy, which are key in the implementation of Horizon Europe. The sport sector is relevant for several of the specific missions identified for Horizon Europe related to: health, climate change, societal transformations and smart cities. Moreover, Horizon Europe provides opportunities for sport stakeholders to get involved and contribute to various research programmes and projects, in particular related to health enhancement through physical activity, sport-based innovation or greening the sport sector, as laid down in the first Horizon Europe strategic plan for 2021-2024. Sport stakeholders are thus encouraged to visit the Funding & Tender opportunities portal to screen for relevant open calls for applications under Horizon Europe.

Single Market Programme

Background

The Single Market Programme is aimed at strengthening the governance of the EU single market and enabling it to reach its full potential, while ensuring Europe's recovery from the COVID-19 pandemic.

The Single Market enables citizens to live, work and travel without restrictions and offers consumers protection and greater choice of high-quality products and services at lower prices. Through legal certainty,

access to markets and financial services, the Single Market is also a launch platform for European businesses. However, the pandemic has shown that while the Single Market has yet to improve some areas it is crucial for the resilience of the European economy.

For the period 2021-2027, the programme pools activities financed under several previous programmes, such as COSME, Consumer Programme, European Statistical Programme, Food and Feed or specific activities in the field of financial reporting and auditing.

With an overall budget of €4.2 bn over the period 2021-2027, the programme will support the following key objectives:

- Food safety: ensuring a safe and sustainable food chain
- **Consumer protection**: ensuring a high level of consumer protection. Product safety and a stronger voice for consumers
- Strengthening the competitiveness of small and medium-sized businesses (SMEs)
- A more effective single market: making the internal market work better with improved market surveillance, problem-solving support to citizens and business, and enhanced competition policy
- Producing and disseminating high-quality European statistics
- **Developing effective European standards** and international financial and non-financial reporting and auditing standards

Timeline of implementation

- 1 December 2020: Political agreement between the European Parliament and the Council on the Regulation establishing the Single Market Programme.
- 1 January 2021: The Single Market Programme enters into force
- **3 May 2021:** Official adoption by the European Parliament and the Council of the Regulation establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme).
- May 2021: First Single Market calls are open.

How can the sport sector benefit?

While the supported actions of the Single Market Programme are much wider in scope than the sport sector itself, the programme includes some relevant tools for the sport industry, especially under the support it provides to SMEs. As the programme offers various forms of support to businesses, a particular focus will be cast on facilitating SMEs' access to markets, promoting entrepreneurship and the acquisition of entrepreneurial skills and addressing global and societal challenges. The SMEs active in the sport sector can equally benefit from these types of support. The Single Market Programme puts forward the following tools for SMEs which are equally relevant for the sport sector:

- <u>Enterprise Europe Network</u> which provides an integrated package of advice to SMEs on how to innovate and grow internationally.
- <u>Erasmus for Young Entrepreneurs</u> a cross-border exchange programme which gives new or aspiring
 entrepreneurs the chance to learn from experienced entrepreneurs running small businesses in
 other countries.
- <u>Joint cluster initiatives</u> representing a new generation of actions involving industrial clusters (groups of specialised enterprises, often SMEs, and other related actors in a location that cooperate closely).

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