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Introduction

Grants and calls for proposals are the most common instruments for funding a large number of projects in Europe. Therefore, it is no surprise that they are also an established way of funding nature restoration projects.

Grants are financial contributions provided by governments, foundations, or private institutions to support projects aligned with their policy objectives. In this report we will focus on the grants provided by the European Commission and national governments because they are the two main contributors to this type of instrument.

The European Commission (EC) defines grants as “financial donations that are awarded by the contracting authority to the grant beneficiary.”¹ It differentiates between two types of grants aimed at supporting the European Commission’s policies: **action grants**, which fund specific actions directed at helping achieve one of the EC’s policy objectives, and **operating grants**, which

cover the operational costs of organisations pursuing objectives that support the European Commission’s policies. In essence, grants function as reimbursements for eligible expenses incurred by beneficiaries in implementing relevant initiatives.

These grants are awarded by various bodies, including the European Commission’s Directorates-General, EU agencies and offices, as well as national and regional authorities. They are funded through the EU’s general budget, national budgets, or instruments such as the European Regional Development Fund (ERDF). For international cooperation, grants are managed by the European Commission’s Directorate-General for International Partnerships (DG INTPA), EU Delegations, and other implementing agencies, with funding primarily provided through the NDICI–Global Europe instrument.

But for many restoration practitioners, grants from national or regional governments are just as important, if not more, than those from EU-level programmes. These grants are often more accessible, tailored to local contexts, and aligned with national priorities.

While significant biodiversity-related funding exists at the EU level, including a total of EUR 112 billion dedicated to biodiversity for the 2021–2027 period, not all of this funding is available as direct grants for nature restoration practitioners. For example, a large share – EUR 64.32 billion – is allocated through the Common Agricultural Policy (CAP), which primarily supports agricultural subsidies and eco-schemes, many of which may not translate into actionable restoration funding. Similarly, EUR 1.815 billion is allocated through the European Maritime, Fisheries and Aquaculture Fund (EMFAF).

¹ Directorate-General for International Partnerships. International Partnerships: Grants. The European Commission. https://international-partnerships.ec.europa.eu/funding/looking-funding/grants_en



For nature restoration practitioners on the ground, national and regional grant programmes often remain more accessible and directly supportive than large EU-level calls. These programmes are frequently co-financed by EU-managed instruments such as the European Regional Development Fund (ERDF), which supports environmental and climate action through regionally implemented projects.

For practitioners involved in international nature restoration or biodiversity cooperation, funding may also be available through NDICI-Global Europe, administered by DG INTPA and EU Delegations, though this applies primarily to projects outside the EU.

Globally, the ambition for biodiversity finance is growing. At COP15, nations committed to mobilise EUR 200 billion annually by 2030 for biodiversity conservation. As part of this effort, developed nations pledged to scale up international financial flows, including official development assistance, to reach at least EUR 18.2 billion per year by 2025, rising to at least EUR 27.3 billion annually by 2030. The EU's contribution to these efforts, while substantial, requires clearer and more targeted delivery mechanisms to effectively support local restoration practitioners.

In 2024, **the EU Nature Restoration Law** entered in force by a binding regulation (number 2024/1991). This **will lead to the launch of many grants programmes in the European Union**, because Member States are required to restore at least 30% of degraded habitats by 2030 and 60% by 2040.

In July 2025 the EU Water Resilience Strategy (Water for LIFE) was launched. This means that many new grant initiatives will be launched to implement the new strategy.

It is important to have a global overview of how the EU funds that can be used partially or totally for Nature-based Solutions are distributed. **Figure 1** provides a visual representation of the distribution.

It is essential to highlight that the programmes in **Figure 1** are not specifically and directly transformed into freshwater restoration, but a portion of them can absolutely be used for nature and freshwater restoration through eco-schemes or agri-environmental measures.

In recent years, the European Commission has emphasised the importance of Nature-based Solutions in addressing climate challenges in Europe and beyond. **Consequently, funding for Nature-based Solutions has increased significantly over time, rising from less than**

EUR 25 million in 2012 to more than EUR 2 billion in 2025. The contribution from European Commission programmes in funding these projects has also increased over the years.

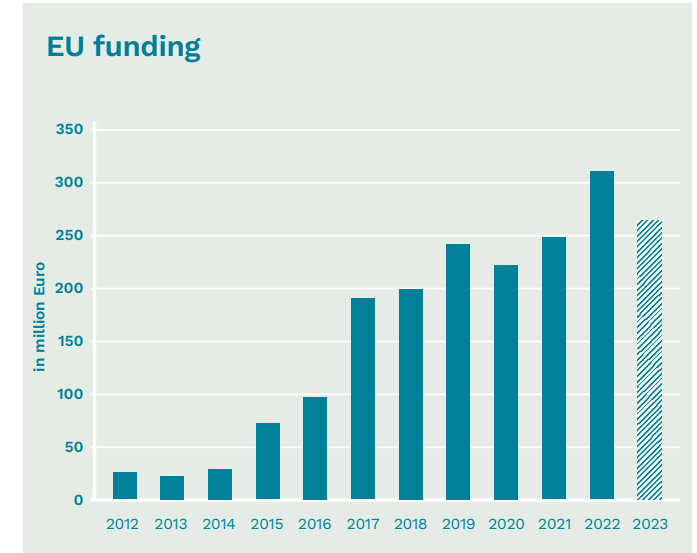


Figure 2: Annual moving average of EU funding (2023 is marked with hatching as its figures are influenced by the 2024 budget allocation, which is not complete for this year).

Source: Biodiversa+ (2025, March 20). Mapping Nature-based Solutions: New insights from NetworkNature²

In this report we will not advocate for or against grants, or conclude that grants are a good thing or bad thing. It will be up to each restoration manager to make decisions about the most appropriate ways to fund their restoration projects. Some may consider grants to be a poor instrument because they may make organisations and restoration managers dependent, not allowing other, more sustainable sources of funding to flourish. Others may say that there are no alternatives to grants in some cases. As mentioned in Zero Risk Startup for Nature workshops by Connectology during the MERLIN project: “with entrepreneurial attitude everything is possible, including financing restoration projects without using grants.”

² <https://www.biodiversa.eu/2025/03/20/mapping-nature-based-solutions-research-new-insights-from-networknature/>

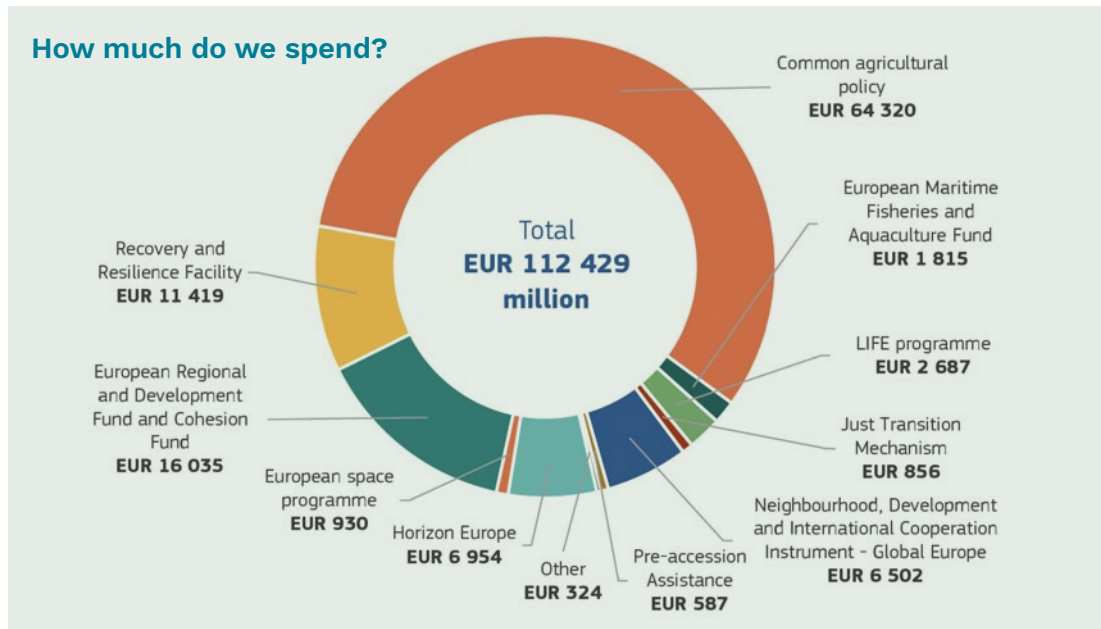


Figure 1: Biodiversity contributions 2021 to 2027 (million EUR).

Source: Directorate-General for Communication. (2023, 7 June). Biodiversity mainstreaming. The European Commission.

Executive summary

This report primarily focuses on European and national grant programmes tailored for organisations and projects that fall within the realm of ecosystem restoration and Nature-based Solutions (NbS). It also provides an in-depth analysis of the different types of grants available, examining the potential beneficiaries of these grants, including non-profit organisations, governmental bodies, researchers, and private companies involved in nature restoration projects.

The report also explores the operational dynamics of grant programmes, outlining the grant lifecycle from the application process to the disbursement of funds and the monitoring of outcomes. Additionally, the expected timeframes for implementing grant-funded projects, the associated costs of setting up and managing such initiatives, and the prerequisites necessary for successful implementation are discussed.

Finally, the document highlights the key players involved, such as the European Commission, national governments, and environmental agencies, and how they support projects through various financial mechanisms.

By providing insights into best practices and Key Performance Indicators (KPIs), the report offers practical guidance on how to effectively utilise grants for ecosystem restoration and Nature-based Solutions. Furthermore, it illustrates successful case studies that demonstrate the positive impact of grant funding on environmental sustainability. This report concludes with a set of recommendations for optimising grant utilisation and achieving long-term environmental goals.

As is clearly stated in the report, grants do not mean “free money,” because they come with strings attached—that is, rules and obligations. If some of the goals are not achieved or respected, the grant beneficiary may be forced to return the money, in some cases with penalties.

Now, it is up to you to apply for grants or not.

**Good luck with
your restoration project!**



Aim of the instrument

Nature-based Solutions (NbS) support the European Green Deal, one of the EU's significant policy priorities, aiming to put it on the map of European innovation and research projects. Consequently, the number of funded NbS projects has increased over the years, reaching 30 per year since 2017.

Between 2012 and 2025, 471 NbS projects were funded.¹ This marks a substantial improvement from the 262 projects funded between 2012 and 2020, where 27% were ecosystem-related approaches that are issue-specific for ecosystem-based adaptation, mitigation, and disaster risk reduction. The most widely considered specific approaches, using a typology adapted from the IUCN, were Green Infrastructure and Ecological Restoration, which represented, respectively, 20.5% and 18% of all projects.

These figures illustrate not only the growing momentum for NbS across Europe but also the strong alignment with EU climate, biodiversity, and resilience goals. They demonstrate how restoration initiatives are increasingly recognised as strategic investments in both environmental sustainability and socio-economic resilience.

That being acknowledged, this report serves as a manual with guidelines for funding opportunities through grants and their lifecycles, aimed at nature restoration projects and NbS.

The aim of the instrument is to support restoration managers in getting funds (grants) for their restoration projects.

Potential beneficiaries

Funding through grants is directed primarily to applicants from the Member States of the European Union. Other eligible entities include Overseas Countries and Territories linked to Member States, as well as non-EU countries associated with specific grant programmes.

The applicants usually include not only governmental organisations, but also private sector groups, NGOs, and other relevant stakeholders.

An overview of funding for ecosystem restoration in Europe from 2010 to 2020 reveals that these projects were implemented across 36 countries, with the highest number of restoration projects occurring in Italy, the UK, Spain, Germany, and the Netherlands. Most of the funding was directed to these countries, with the exception of Italy, as Sweden also ranked among the top five recipients of funding (**Figure 3**).

The European Commission provides detailed descriptions of eligible entities such as researchers, companies, public bodies, NGOs, and other actors, along with appropriate funding opportunities for each category.² **Over the past decade, the primary beneficiaries of funding for ecosystem restoration projects in Europe have been governments, NGOs, and research institutes, all of which have received the highest amount of funding from international bodies.**

The terms for applying to certain EU funding grants are **specified in each call for proposals, along with a detailed list of eligible beneficiaries.** Before applying for a grant, ensure that your organisation meets the defined criteria. **During the application process, you will need to note your organisation's and employees' expertise and participation in related projects;** doing so can validate your organisation and help you secure the funding you seek.

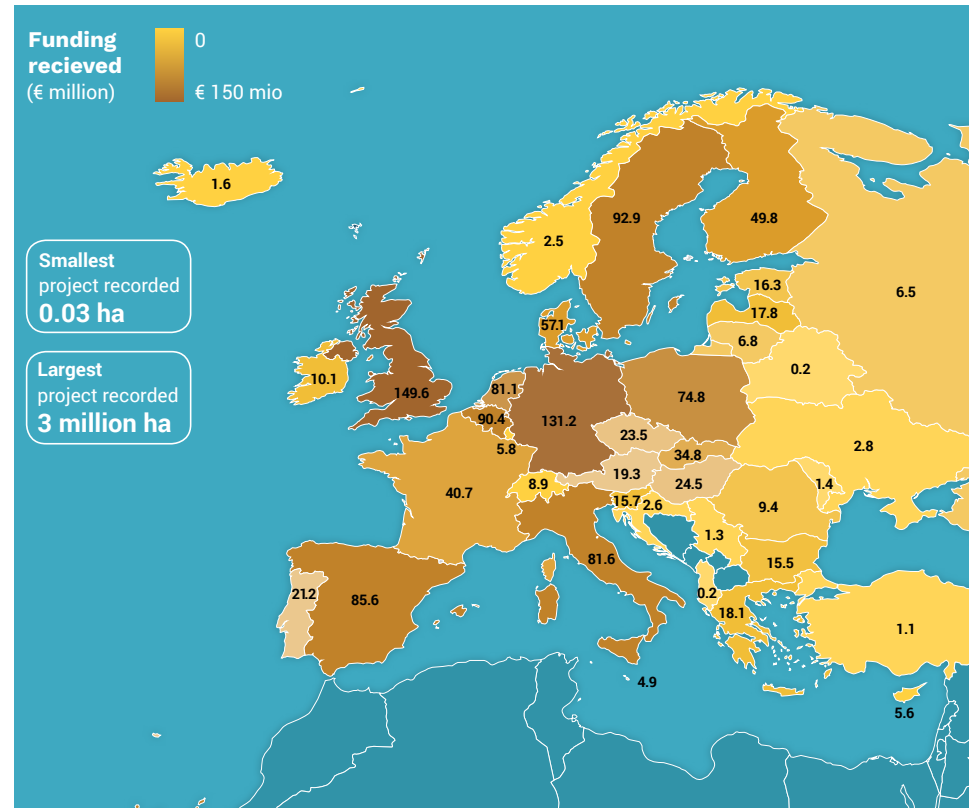


Figure 3. Funding received for ecosystem restoration across Europe.

Source: UNEP-WCMC, FFI and ELP. Funding Ecosystem Restoration in Europe: A summary of funding trends and recommendations to inform practitioners, policymakers and funders. 14pp.³

¹ Biodiversa+ (2025, March 20). Mapping Nature-based Solutions: New insights from NetworkNature. <https://www.biodiversa.eu/2025/03/20/mapping-nature-based-solutions-research-new-insights-from-networknature/>

² Directorate-General for Communication. Eligibility: who can get funding? The European Commission. https://ec.europa.eu/info/funding-tenders/how-apply/eligibility-who-can-get-funding_en#public-bodies-cities-and-regions

³ Fauna & Flora International (2020). Funding Ecosystem Restoration in Europe. https://www.fauna-flora.org/wp-content/uploads/2023/05/FFI_2020_Funding-Ecosystem-Restoration-in-Europe.pdf

How do grants work?

Grants are financial contributions provided by governments, foundations, or private institutions to support projects aligned with their policy objectives. Unlike loans, grants usually do not require repayment, but **they are typically awarded through competitive processes and come with conditions such as reporting, evaluation, and alignment with specific goals.** They are a key tool for funding public interest initiatives, innovation, and environmental sustainability.

As we have already mentioned, this report will focus primarily on European grant programmes tailored for organisations and projects that fall within the realm of ecosystem restoration and Nature-based Solutions (NbS). However, the steps and guidance outlined below are likely relevant to a wide range of grant programmes, not just those at the EU level. Whether dealing with national, regional, or international funders, the core principles of successful grant acquisition and project planning often remain the same.

Understanding how grants work requires looking at two key aspects: the grant lifecycle and the grant payment process. These elements ensure that the funds are used efficiently and that both the grantor and grantee adhere to the terms of the agreement throughout the project's duration.

Grant lifecycle

The grant funding process is divided into three key phases: pre-award, award, and post-award.

1. Pre-award phase. From the grantor's perspective, a funding programme is developed, an application process is announced for the funding opportunity, and applications are reviewed. **During this phase, grantees identify appropriate calls for proposals that align with their organisations' goals and project objectives.** If necessary, they also **seek potential partners with whom they will form a consortium and apply jointly for a combined project budget.** The project concept is defined, eligible costs are identified, and the project proposal is submitted. The grantor evaluates and compares applications based on previously defined criteria and decides who will be awarded the grant.

We can categorise the two main criteria types as **eligibility and evaluation.** Before evaluation, an eligibility check is conducted. Some applications will not be evaluated if they do not comply with all the eligibility criteria.

2. Award phase. In the award phase, a grant is awarded to the beneficiary, who is then notified and contacted for the

setup of **legal documentation. The grantor and the grantee sign the grant agreement, a document that defines all terms, conditions, and limitations related to the grant.**

3. Post-award phase. The grantee **begins implementing the project, and is obliged to report on the project's technical and financial activities** to the grantor throughout the project's cycle.

Grant payments

It is essential to recognise **that grants do not always cover 100%** of eligible expenses, and may not be paid by the time that expenses fall due. To execute and finalise the project, grantees will have to have enough liquidity—and potentially co-funding—to support the remaining part of the costs.

After the grant is awarded, grant payments are typically scheduled in **three instalments: a pre-financing payment, interim payment(s), and the balance payment.**

Pre-financing is an initial payment provided before the project begins, in order to ensure sufficient cash flow for its implementation. It is not fixed to a specific amount or percentage, and is based on the average grant funding for a reporting period. Usually, 5% of

the pre-financing payment is set aside in the guarantee fund intended for defaults in payment from beneficiaries. However, this percentage, as well as the payment process, may vary substantially depending on the type of instrument or the supporting funds. For example, rules for payments in national instruments may differ significantly from those in European instruments.

Beneficiaries need to prepare technical and financial reports to secure payments. Interim payments and payment of the balance are a reflection of project deliverables.

Interim payments are based on periodic reporting, in which costs are presented and payments are made accordingly to reimburse the costs. When calculating the balance payment, the European Commission evaluates the technical and financial parts of the project and defines the final grant. The maximum amount that can be reimbursed before the project's completion is up to 85% of the final grant.

Payment of the balance is the remaining part of the payment at the end of the action. In European grants this is typically 10% of the final grant plus 5% from the guarantee fund.

Pre-award phase

Award phase

Post-award phase

Pros and cons

As with all activities, there are pros and cons to consider:

PROS



- **No repayment required** – Unlike loans, grants do not require repayment, thereby reducing the financial burden.
- **Support for public interest projects** – Essential for funding environmental restoration, biodiversity conservation, and climate adaptation initiatives.
- **Boosts credibility and networking** – Securing EU grants enhances an organisation's reputation and facilitates partnerships.
- **Promotes international cooperation** – Many EU grants require collaboration between organisations from different countries, strengthening networks.

CONS



- **Highly competitive** – Many organisations apply, but only a small percentage receive funding.
- **Complex and bureaucratic application process** – Requires extensive documentation, compliance with EU policies, and significant preparation time.
- **Partial funding** – Most grants require co-financing, meaning beneficiaries must secure additional funds.
- **Delayed payments and administrative burden** – Funding is disbursed in phases, requiring strict reporting and financial oversight.



Expected time to implement

In the **pre-award phase**, applicants prepare and submit the project proposal. This process may take several weeks, depending on the team's preparation and familiarity with the process and the administrative, technical, legal, and financial knowledge that it entails.

After the call is closed, the **award phase** consists of the grantor evaluating the proposal and informing the beneficiary about the award, which could take up to 5 months according to the Horizon programme's grant lifecycle. The preparation and signing of the grant agreement could also take a few months, so this phase can span up to eight months in total. The duration of the **post-award phase** depends on the duration of the funded project itself.

When applying for the grant process, applicants should expect a lengthy time lag until the project begins. In some extreme cases, this can go beyond one year after the submission of the proposal.



Set-up and operational costs

There are several types of costs an applicant incurs during the grant application process, including personnel costs and, potentially, consulting costs.

→ Personnel costs are considered **set-up costs**, as they cover the time and effort that your team invests in the application process. If the grant is awarded, costs for the post-award phase will be covered within the budget. However, **pre-award and award phase activities, including research, proposal writing, and the application process, will incur costs for your organisation.** Under the non-retroactive principle, these costs are non-refundable, as they occur before the project officially commences.

To reduce personnel costs, organisations can hire specialised consulting firms to handle grant applications.

This introduces an opportunity cost: if your team is engaged in a lengthy application process, it may limit their availability for other projects.

→ **Operational costs.** Consulting costs may be involved in both the pre-award and post-award phases. Your organisation can use professional services from consultancies specialised in EU funding at the beginning of the application process if it is inexperienced with applying for grants. Some consultancies charge a flat fee, whilst others charge a percentage of the total project value upon successful grant award.

Prerequisites to implement

The contracting authority, i.e., the grantor, sets certain ground rules for applicants (i.e., grantees, beneficiaries). When applying for grants, applicants should be aware of the **following principles**:

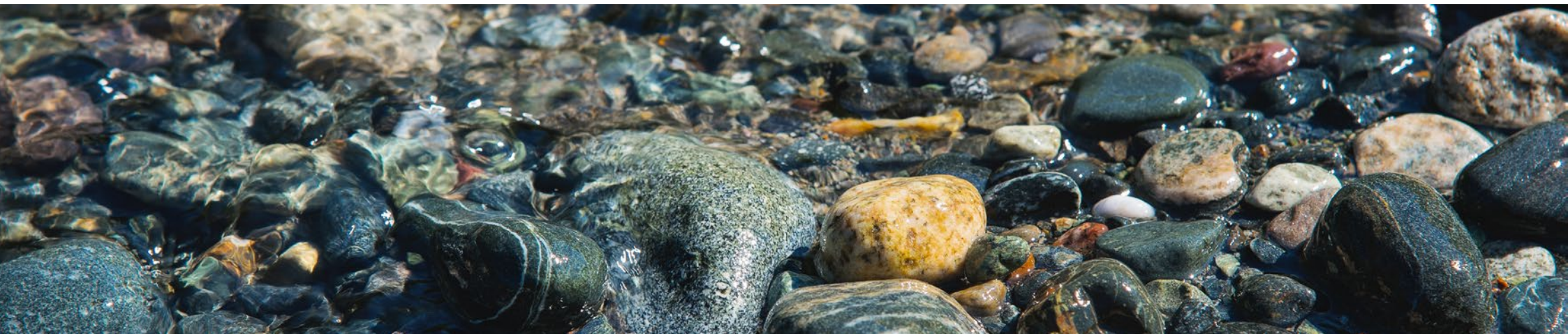
- **The transparency principle** means that the grant funding is a public procedure, and the European Commission regularly provides information and reports on the funding. The process also requires a **non-discrimination principle**, ensuring that all applicants are treated equally. The **no-profit principle** implies that the grant-funded activity must not pursue profit-making objectives.
- **The co-financing principle** states that grants only partially cover the total project cost; applicants must contribute to the remainder. In some cases the grantor does not require any co-financing.
- Under the **non-cumulation principle**, only one grant is awarded per action, and only one operation grant is awarded per financial year. There are exceptions to the principle, but for every additional euro, the grantee needs to justify in detail the need for this extra amount.
- Funding for actions already completed or actions that have started cannot be reimbursed by grants, as specified by the **non-retroactivity principle**.

Specific requirements under Horizon Europe

For grants under Horizon Europe, there is a certain set of rules to be considered when applying, in addition to the required general technical conditions for proposals (admissibility, page limits, eligible entities, consortium composition, and eligible activities).

For specific calls, prescribed technology readiness levels must be met, and projects must comply with ethical principles. Additionally, certain legal entities are **required to have an established gender equality plan.** Projects involving classified and/or sensitive information must undergo a security evaluation process. Applicants facing exclusion situations are ineligible to apply. **Applicants also undergo financial and operational capacity assessments** to ensure they have stable and sufficient resources to carry out and successfully implement the proposed project.

It is important to note that Horizon Europe is primarily a research and innovation programme focused on capacity building, and it covers a broad range of thematic areas, of which nature restoration is only a small part. Contextualising the relevance and role of different EU funding schemes is crucial, as Horizon Europe may be more appropriate for science-policy interface projects, innovation pilots, or knowledge transfer rather than direct on-the-ground restoration efforts.





Main programmes in the market

The European Union offers a wide range of funding opportunities to support nature restoration, biodiversity protection, and climate resilience across its Member States. Below are several key examples of EU funding mechanisms.

Key EU funding instruments for nature restoration

Under the Cohesion Policy programmes for 2021–2027, investments of more than EUR 22 billion are planned for biodiversity action, of which around EUR 16.8 billion is EU funding. Taking this amount in relation to the total allocation of the funds programmed, this represents a 6% share. Compared to the 2014–2020 programming period, where 4% of the total ERDF and Cohesion Fund expenditure was contributed to biodiversity objectives, this is a significant increase.¹

The European Union is committed to tackling climate challenges in Europe and beyond by launching specific programmes aimed at funding projects. The European Framework Programme for Research and Innovation, now known as Horizon Europe, began in the

1980s with a budget of around EUR 3.3 billion for the first framework programme and has since grown to nearly EUR 95.5 billion for the current Horizon Europe (2021–2027) programme. This growth provides us with a clear vision of the importance of the EC's objectives in addressing climate-related challenges.

Horizon Europe has secured EUR 93.5 billion for the 2021–2027 period. Of the three pillars supported by the programme, nature restoration projects fall under Pillar II: Global Challenges and European Industrial Competitiveness. Over 35% of Horizon's current budget is allocated to climate-related projects in Europe.²

Another funding opportunity for nature restoration projects is the **Programme for the Environment and Climate Action (LIFE)**.

LIFE is specifically designed to support environmental and climate objectives in line with the EU's Green Deal, the Sustainable Development Goals, and the Natura 2000 network. With a budget of EUR 5.43 billion allocated for the 2021–2027 period, at least 85% of this amount is dedicated to grant funding, with the remainder supported through

¹ <https://cohesiondata.ec.europa.eu/stories/s/21-27-Cohesion-policy-Biodiversity-tracking/rza5-iu48>

² https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en

other funding mechanisms.³ LIFE’s focus areas include sub-programmes targeting nature and biodiversity, circular economy, climate change mitigation and adaptation, and clean energy transition.

Recent LIFE projects: Around 6,000 ha of wetlands were restored through the LIFE MIRES ESTONIA project, the FRESHABIT LIFE IP project has been making consistent efforts to restore freshwater habitats in Finland, and the LIFE Lugo+ Biodinámico project successfully developed a new sustainable urban development strategy by constructing a building entirely with local timber.

In addition, there are five **European structural and investment funds** that account for more than half of EU funding. These include the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, and the European Maritime and Fisheries Fund.

To build synergy between common themes and countries, many programmes are invested in the area of cooperation goals.

Interreg Europe is a programme co-funded by the European Regional Development Fund (ERDF), designed to foster interregional cooperation. It enables partners from different regions to exchange and transfer knowledge and experience on projects and solutions across various sectors, including health, environment, research, education, transport, and sustainable energy.

Biodiversa+ works to coordinate national research programmes and organise international funding for projects on biodiversity and ecosystem services research. The programme supports research and innovation on biodiversity, enhances ecosystem monitoring, and provides science-based support for policy-making.

Twenty-five European and associated countries, along with 39 research-funding agencies and ministries, have joined forces to achieve these goals, funded under the Horizon 2020 ERA-NET COFUND scheme. The Biodiversa+ Partnership has a budget of EUR 800 million over a seven-year period, including contributions from Member States.

In 2024, Biodiversa+ funded 34 projects, including harnessing Nature-based Solutions to meet EU nature restoration targets, integrating scientific instruments with policy instruments, and promoting change in beekeeping by monitoring honeybee colonies as ecosystem indicators.

Additionally, the **InvestEU** Fund combines public financing with private investment. The European Fund for Strategic Investments (EFSI) and the European Investment Bank Group plan to contribute more than 372 billion EUR for the period 2021–2027 in public and private investment toward EU projects. They have also offered an EU budget guarantee of approximately EUR 26.2 billion.

The EU funds and programmes specified in this chapter are vital “players in the market” for Nature-based Solutions. Going back to the overview of projects from 2011–2021,⁴ 262 NbS projects were identified.

Of these, 101 were funded through specific programmes such as Horizon 2020 and its predecessor, the Seventh Framework Programme (FP7). The Interreg programme supported 87 projects, whilst 39 were funded through the LIFE Climate programme, and 35 from BiodivERSA.

The European Climate, Infrastructure and Environment Executive Agency (CINEA) is an important actor in supporting the EU Green Deal through the efficient and effective implementation of its delegated programmes. Please see more detailed information and the list of programmes can be found on the website⁵.

National and regional funding programmes play a critical role in supporting nature restoration because they are often more directly accessible, better tailored to local needs, and aligned with country-specific priorities and regulatory frameworks. While many of these funds are co-financed by the EU, their local implementation enables more practical and flexible support for on-the-ground restoration efforts, making them a vital complement to EU-level funding instruments.

While these funding streams are not exclusively for biodiversity, they actively support NbS in aligning nature restoration with societal needs. Framing their work around goals like water quality, flood safety, fire resilience, or urban wellbeing can help practitioners access a broader and often more readily available pool of funding—usually implemented at the national or regional level, but underpinned by EU policy and financing.

In **Table 1** there are examples of national and regional funding sources (co-financed by the EU) that support Nature-based Solutions (NbS) to meet broader societal goals, such as clean water, flood risk reduction, wildfire resilience, and urban cooling.

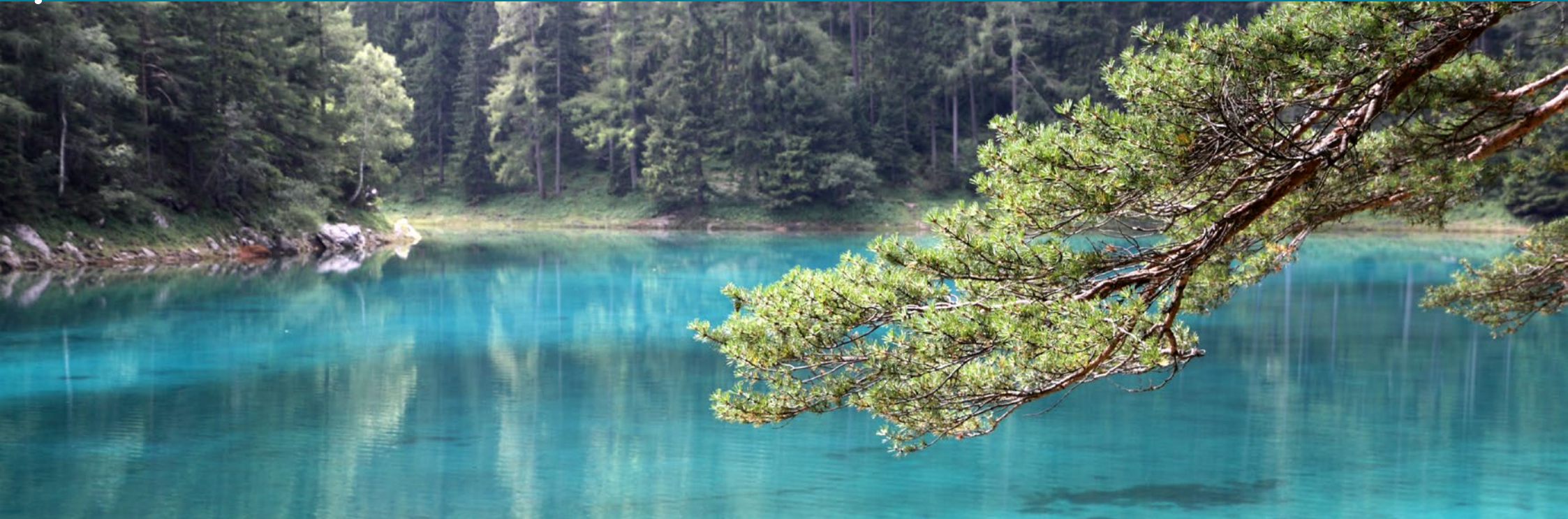
Table 1: Funding sources for Nature-based Solutions aligned with EU policy goals.

Objective	Funding instrument	Examples
Clean water (Water Framework Directive)	ERDF, Cohesion Fund, CAP, RRF (Recovery and Resilience Facility), LIFE	Wetland restoration, riparian buffer zones
Flood risk (Floods Directive)	ERDF, Cohesion, integrated LIFE projects	Natural floodplains, river meandering
Wildfire and urban heat	ERDF regional programmes, EUKI (European Climate Initiative)	Forest buffer zones, urban green spaces, green roofs
Urban resilience	Interreg, ERDF urban programmes, EUKI	Stormwater systems, park networks

³ Press Corner. (2024). EU invests over EUR 380 million in 133 new LIFE projects to support the green transition all around Europe. European Commission. https://ec.europa.eu/commission/presscorner/detail/ru/ip_24_5381

⁴ NetworkNature (2022, July). Digest. https://networknature.eu/sites/default/files/images/NetworkNature__Digest_July_2022.pdf

⁵ https://cinea.ec.europa.eu/programmes_en



How to apply for a grant

Before diving into the application process, it is important to acknowledge that most grant awarding schemes, especially at the national and EU levels, are competitive. Successfully completing all the required steps does not guarantee funding. Selection often depends on available budgets, the number of applicants, alignment with funder priorities, and the overall quality of the proposal. With that in mind, the steps below aim to help applicants prepare strong, well-aligned submissions to maximise their chances of success.

Getting familiar with EU terminology and its objectives is essential. Your organisation or consortium should designate a team member with knowledge of project management to oversee all stages of the grant cycle. Without prior knowledge, reporting to the European

Commission in the post-award phase will be challenging. A prerequisite for applying for and securing funding for your project is to define a clear business case and verify that the benefits and potential impacts of your project align with EU policies, along with well-calculated costs for the entire project cycle.

The following steps will help guide you through the application process.

1. Research

The website¹ provides an up-to-date list of calls where you can explore suitable opportunities for funding your project. You can find previous funding for similar or twin projects that went through the application process and

got EU funding in the database². All previously mentioned programmes dedicated to NbS can be found on this source³. We recommend conducting research on how Nature-based Solutions are defined, how they fit into the EU's priority objectives, and what is emphasised on their website, so that you have a better idea of the direction in which you want to guide your project.

2. Networking

Create a network of organisations, peers, and potential project partners who are familiar with grant terminology and the application process. This will give you access to crucial information, minimise the time invested, and reduce costs and mitigate risks, making it easier to access necessary funding.

¹ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

² <https://cordis.europa.eu/en>

³ https://research-and-innovation.ec.europa.eu/research-area/environment/nature-based-solutions_en



3. Registration

The **EU Funding and Tenders Portal**⁴ is where funding opportunities are presented. It contains all the viable information and instructions for the call for proposals. You can explore how funding is distributed across different themes and countries, and identify suitable applications for funding. Once you have found a relevant call, you can register with your organisation and start applying.

4. Application process

Now that you have familiarised yourself with the terminology, be sure that you outline the objectives and benefits of your project, along with the impact it can generate (aligned with EU policy objectives).

The first step is to determine if your project complies with EU policies, as this will determine whether your project is eligible for grants. Research the admission process thoroughly, from technical rules (i.e. page limits, documentation needed to apply so that your admission is eligible to be taken into consideration for the evaluation, etc.) to the contextual information provided in the call. Following strict instructions will help minimise the risk of your application being disqualified or overlooked. **Check whether an organisation is eligible to participate, and identify which category you fit into** (for example, as an eligible entity to participate, an affiliated entity, an associated partner, with the Joint Research Centre, or as part of a consortium).

The **Advisory Hub** is available to guide the financing process. Additionally, the **InvestEU Portal** enables you to register your project and make it visible to a broad network of investors.⁵

It is also common for the EC and its associated bodies to organise support activities, such as webinars, info days, and helpdesk support, where the content of the call is explained in detail and additional materials on the topic are provided for preparation. After the applications are submitted and calls are closed, a report is published outlining best practices to guide future rounds of calls.

When creating the budget, it is crucial to calculate costs for grant instruments. You therefore need to consider the scale of the budget associated with a particular project. **Calls for proposals are typically divided into two categories: small-scale and large-scale, based on the total budget allocated.** Partner contributions are another essential component in cost calculations, as they enable you to allocate costs accordingly under this precondition. If you do not have grant experts in your network of peers, consider hiring external specialists, such as consulting agencies. You may also incur additional subcontracting costs or need to allocate your budget for the expertise of service providers.

The co-financing principle should be taken into consideration, as you may be required to partially finance your project according to the proposal call, depending on the assigned budget.

For example, under the LIFE Programme, the EU typically covers 50% to 75% of the assigned budget. This means your organisation will need to finance the remaining 25% to 50% from other sources. In practice, the additional budget can often come from co-funding through national or regional programmes, private sector contributions, or in-kind support from project partners. It is therefore vital to find a funding strategy that works best for your organisation, project, and other stakeholders involved.

Make realistic calculations and financial projections to help guide the project financing smoothly. This ensures you are better prepared for unexpected costs and can maintain financial stability throughout the implementation phase.

It is essential to understand the funding model specified in each call, as it significantly influences how you structure your project and prepare your application. Increasingly, EU programmes are applying the **Lump Sum model**.⁶ Under this model, funding is no longer reimbursed based on actual incurred costs. Instead, payments are made when specific work packages (WPs) are completed, according to predefined budgets and deliverables agreed upon at the application stage. There is no requirement for financial reporting, such as timesheets or invoices; what matters is the delivery of results. This approach simplifies administration but increases the importance of carefully designing your work plan. Therefore, understanding how your chosen reimbursement model works (whether Lump Sum, reimbursement, or unit cost) is crucial not only for drafting a strong application, but also for ensuring smooth project implementation once funding is secured.

⁴ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

⁵ For more information, visit https://investeu.europa.eu/what-investeu-programme/investeu-advisory-hub_en.

⁶ https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/horizon/guidance/ls-funding-what-do-i-need-to-know_he_en.pdf



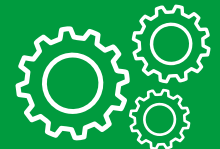
Step 1
Research



Step 2
Networking



Step 3
Registration



Step 4
Application process

Best practices

Here we will outline approaches to specific activities for the successful implementation of this instrument.

Preparation is key

Do not make the mistake of aligning your organisation's goals with the calls for proposals; it should be the other way around. **Focus on identifying opportunities that align naturally with your existing objectives.** Calls are assessed based on criteria such as excellence, impact, and implementation; therefore, consider a bottom-up approach when selecting your call. You should also select your partners, service providers, or consultants from the start. **Preparation is half the job; the more you are involved and prepared, the more easily you will be able to manage project activities and avoid surprises along the way.**

Gathering supporting documents, maintaining the previous grant application database, and reviewing it when starting a new grant process is a bonus.

Before submitting your application, consider running **a feasibility study**. It is a viable preparation tool for you to consider all aspects of the project and to test it "on paper" to gain a thorough review of everything it encompasses. It can mitigate potential risks and guide you in the right direction.

Creating the budget

After completing the preparation activities, it is crucial to establish a budget for the project. **The first step in approaching budget research is to be aware of the budget allocated by the European Union to achieve its specific goals. It is also essential to set a financial goal for your project and consider co-financing factors, if applicable.**

Knowing how to differentiate costs that can be calculated into the project's budget is key. **Direct costs** connect directly to the project's activities (the cost of personnel working on a project, subcontracting, purchase costs, and others). **Indirect costs** (also known as overheads) are also eligible, but cannot be identified and calculated as they are indirectly attributed to the project. In the Horizon Europe Programme, for instance, the costs are calculated at a rate of 25% of the total direct costs.

Successful budget planning involves identifying all eligible costs in the application, both visible and hidden costs, and allocating them to the planned activities throughout the project's cycle. Your application should include all eligible costs, along with your budget categorised and explained in detail, as this increases your chances of securing the requested funding.

Award criteria

Once proposals are submitted, pass initial criteria, and become eligible for further revision, they are evaluated based on the **three award criteria: excellence, impact, and implementation.**

Different categories are graded according to the terms of the call for proposal. Different types of actions, such as research and innovation, coordination and support, programme co-funding, training and mobility, pre-commercial and public procurement of innovative solutions, and framework partnership agreements, are all validated through the excellence, impact, and implementation criteria.

The excellence criteria seek precision and relevance of the project's objectives and its compatibility with the programme. It also examines the extent to which the project's work goes beyond the state-of-the-art for each category listed.

The impact criteria evaluate the project's potential to contribute to expected outcomes and seek a significant contribution to the project's objectives.

The implementation criteria review the quality and effectiveness of individual participants and consortia.

The grant lifecycle is a **project management process** in itself. It consists of phases that require careful management and completion with attention to detail and expertise. A person within your organisation should be responsible for overseeing the process, supervising the team, and ensuring everything is on schedule. The European Commission developed PM², a Project Management Methodology, to support project managers in managing the lifecycle of their projects.¹

Suggested Key Performance Indicators (KPIs)

Identifying Key Performance Indicators (KPIs) to measure the efficiency of European projects can be a challenging task. As this is a thoroughly researched topic, standardising KPIs is hard due to the diversity of projects, the different participants involved in their implementations, and the differing objectives and target groups. The approach for KPIs concerning grant funding programmes can be linked to the reporting part of a project, measured by the success of the funded projects and their outcomes. As mentioned earlier, your project is evaluated during the application process, based on the criteria of excellence, impact, and implementation.

In the context of nature restoration projects and Nature-based Solutions, KPIs often include quantitative indicators based on biodiversity aspects. However, **EU-funded projects tend to concentrate on broader outcome indicators, such as impact and benefits for the final beneficiaries. For example, in the Horizon programme 2021–2027, scientific, societal, and economic/technological impacts are core elements in project reporting.**

To effectively define KPIs and apply them to your project, you may consider the following **questions**:

- Did your project generate new and fundamental knowledge?
- Did you deliver benefits to society while addressing EU policy priorities?
- Did you create jobs or facilitate technological development?

¹ PM² Alliance. (2023). PM² Project Management Methodology Guide – European Commission Edition. Retrieved from <https://www.pm2alliance.eu>

Case studies

The European Research Executive Agency (REA), a body under the European Commission, reported in 2024 that 88 Nature-based Solution projects had been funded by Horizon Europe with 1.538 partners from 79 countries, with a budget of 755 million EUR spent so far¹

One of the projects was **MERCES** (Marine Ecosystem Restoration in Changing European Seas)², which received a budget of EUR 6.651 million, fully financed by an EU grant from 2016 to 2020 for marine ecosystem restoration. **The focus was on degraded marine habitats, including shallow and deep-water habitats, across 12 countries and 128 sites.** Notably, 86% of restoration activities involved active restoration methods.

MERCES was implemented through nine work packages and brought together a large consortium of universities, research institutes, and private companies. Beyond habitat restoration, it also addressed the socio-economic aspects of marine ecosystem recovery, including policy guidance and stakeholder engagement. These lessons are directly relevant for freshwater restoration projects, as they demonstrate how EU grants can enable large, multi-country initiatives with a mix of scientific, technical, and governance components.

Another project worth mentioning from the same 4-year period, funded by the Horizon programme, was **AMBER** (Adaptive Management of Barriers in European Rivers)³. **The aim was to deliver innovative solutions to overcome barriers in European rivers by developing more efficient methods of restoring stream connectivity through adaptive barrier management.** The total budget was 6.238 million EUR, with co-financing accounting for less than 3.5% of the total budget. This ambitious project aimed to:

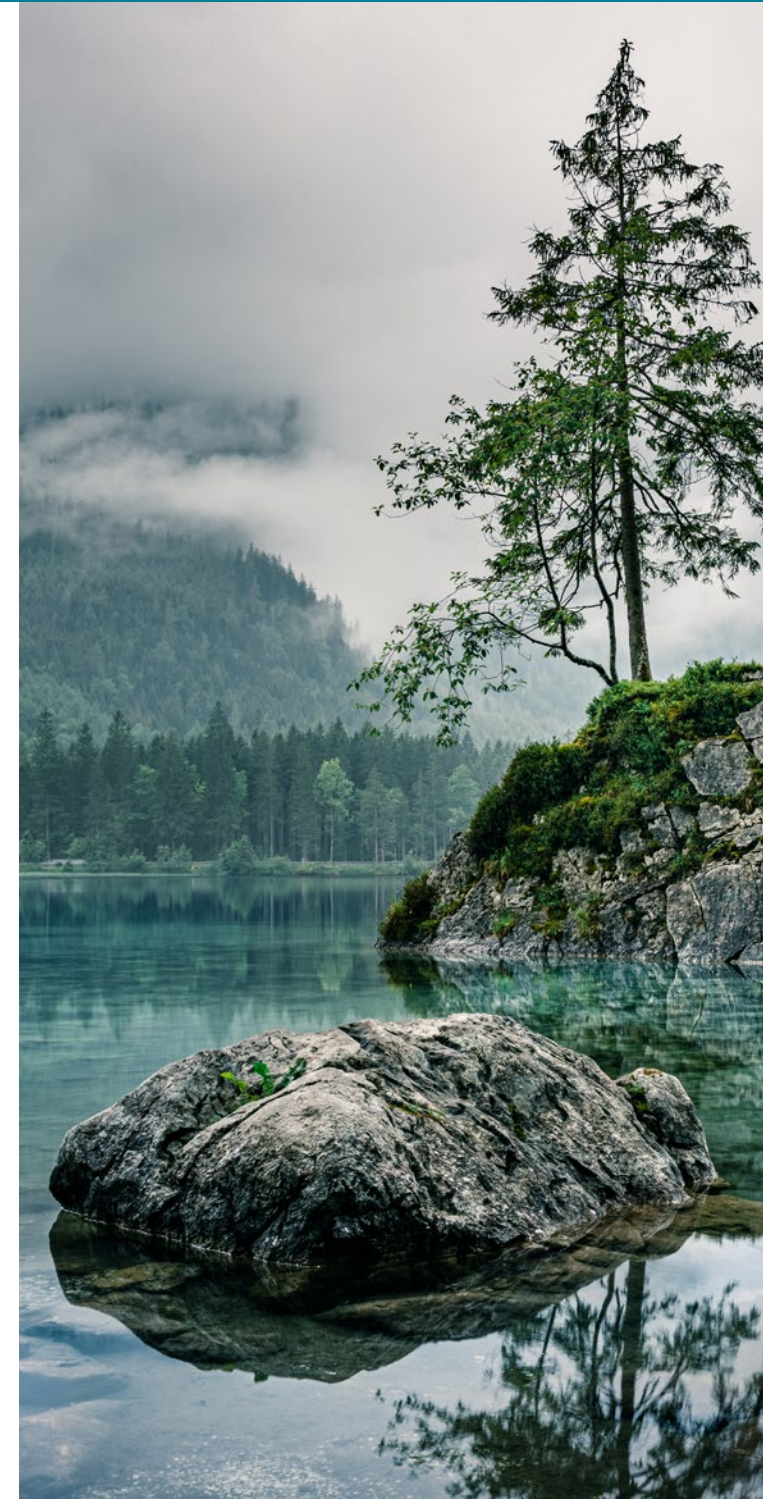
- Develop the first comprehensive assessment of stream connectivity to identify restoration needs across Europe.
- Guide the restoration of local river ecosystems through a holistic framework and associated tools developed within the project.
- Involve the community in tracking barriers and providing real-time monitoring.
- Develop the first application of environmental DNA (eDNA) for river restoration to prioritise conservation and barrier management in European rivers.



MERCES – Marine Ecosystem Restoration in Changing European Seas.



AMBER – Adaptive Management of Barriers in European Rivers.



¹ European Research Executive Agency (2024). Nature-based Solutions: EU-funded research and innovation projects tackle the climate and biodiversity crises. Publications Office of the European Union.

² For more details, see <https://unep-wcmc.maps.arcgis.com/apps/Cascade/index.html?appid=588e185e2c0741c5b69a2d26583f9efd>.

³ Learn more about the project at: <https://amber.international/>

Conclusion

EU grants have proven to be a fundamental financial instrument for nature restoration projects, facilitating the implementation of large-scale initiatives aimed at biodiversity conservation and ecosystem recovery. The increasing allocation of funds to Nature-based Solutions reflects the European Commission’s commitment to tackling climate and environmental challenges.

While grants remain a central funding mechanism for many restoration initiatives, they also have limitations. The complexity and long-term nature of restoration projects often means that grants only cover part of a project’s lifecycle, requiring practitioners to seek new funding repeatedly. As a result, many project managers continue to depend heavily on grants, sometimes overlooking alternative financing options.

In this OTSI, we encourage restoration teams to look beyond traditional biodiversity-focused grants and consider a broader spectrum of public sector funding opportunities. **Many government agencies and public bodies offer grants tied to other societal objectives, such as disaster risk reduction, water management, climate adaptation, or public health, which can often be addressed through Nature-based Solutions.**

While these funding streams may fall outside the typical “comfort zone” of restoration practitioners, they present **valuable opportunities to align ecological goals with wider policy priorities** and access more diverse sources of support.

In the MERLIN project, several off-the-shelf instruments were developed outside of grants. We encourage you to read them, and get inspired discovering new sources of funding which, in many cases, can guarantee sustainability for many years for your natural protected area or for your nature restoration efforts.

Broadening the search for public funding is just one part of a larger shift needed in how restoration projects are financed. A 2021 United Nations report found that current investment in Nature-based Solutions falls short of global targets and called for tripling funding by 2030 to meet climate and biodiversity goals. Strong reliance on grants underscores the **importance of diversifying funding strategies**, including exploring private investment, blended finance, and more sustainable financial models.

By actively expanding their funding horizons and engaging with both conventional and unconventional financing pathways, **restoration teams can build more resilient, long-term projects that not only restore ecosystems, but also contribute meaningfully to broader societal and climate objectives.**

Due to the Nature Restoration Law, Water for LIFE Strategy, Green Infrastructure Strategy, and many other new initiatives, it is expected that in the period that spans from 2026 to 2030, many grant calls will be opened. This creates a big opportunity for nature restoration managers. Those that are aware of the pros and cons of applying to grants, and are able to mitigate the risks of applying to grants, will be better positioned to benefit from the upcoming period.

We hope that this report has helped you to become better prepared for applying to grants.

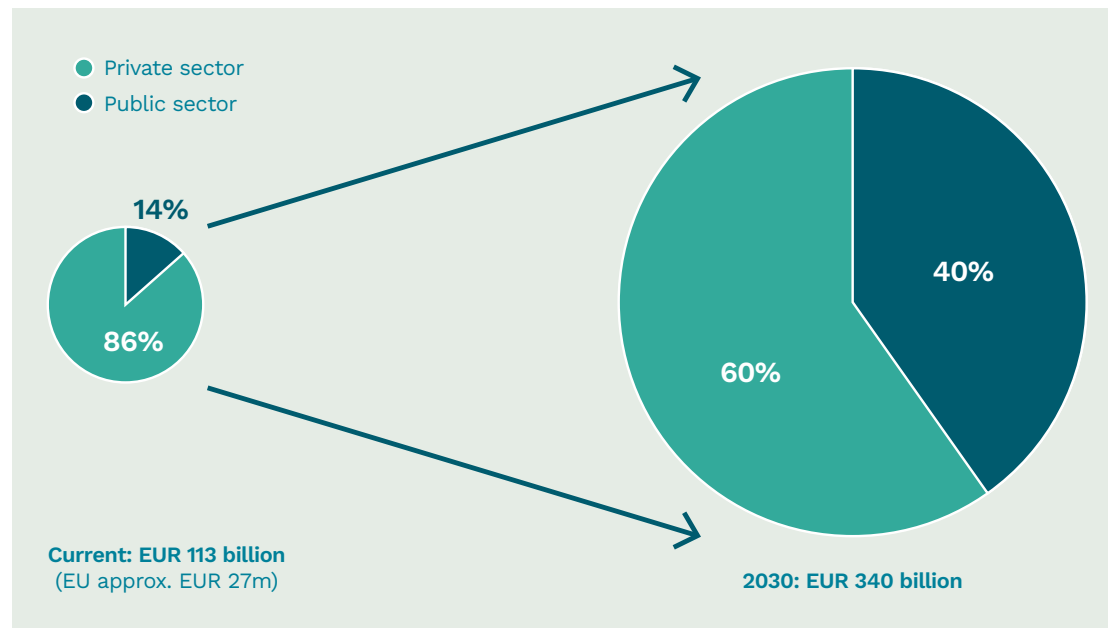


Figure 4.
Tripling investments by 2030.
Source: United Nations Environment Programme (2021). State of Finance for Nature 2021. Nairobi.¹

¹ United Nations Environment Programme (2021). State of Finance for Nature 2021. Nairobi. State of Finance for Nature 2021 | UNEP - UN Environment Programme

Glossary

Co-financing	A requirement that beneficiaries provide a portion of the project's funding, with the rest covered by the grant	Milestone	A control point in the project timeline that helps monitor progress. Milestones are usually events or outputs used to assess whether a project is on track
Consortium	A group of organisations that jointly submit a funding proposal and collaborate on project implementation	Natura 2020	The largest network of protected areas in the world, covering Europe's most valuable and threatened species and habitats
Cost Eligibility	Rules determining which expenses can be reimbursed under a grant agreement	Nature-based Solutions	Solutions that are inspired and supported by nature, which are cost-effective and simultaneously provide environmental, social, and economic benefits and help build resilience
Deliverable	A specific, measurable output or outcome expected at a particular stage of a project	Pre-financing	An initial payment made at the start of a project to ensure liquidity, later offset against interim and final payments
European Green Deal	Adaptation strategy for climate, energy, transport, and taxation policies from the European Commission for reducing net greenhouse gas emissions to reach its climate targets by 2030 in the European Union	Programme guide	A key EC document that outlines eligibility, criteria, and guidelines for a specific funding call
Flat rate for indirect costs	A predefined percentage (e.g. 25% for indirect costs in Horizon Europe) applied to eligible direct costs, used to simplify cost reporting	Set up costs	The amount of money needed to start a selected project
Grant	A financial reward with no expected repayment or compensation over a fixed period of time (OECD, WEF, 2015)	Sustainable Development Goals	17 goals set in the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States, for countries to end poverty while complying with strategies to improve health and education, reduce inequality, and spur economic growth while tackling climate change
Grant agreement (GA)	The formal legal contract between the European Commission (or funding agency) and the grant beneficiaries, detailing rights, obligations, and funding rules	Technology Readiness Level (TRL)	A metric used by Horizon Europe to assess the maturity of a technology (from TRL 1 to TRL 9)
Grantor	A person or organisation that gives grants	Work Package (WP)	A major subdivision of a project's work plan, each with specific objectives, deliverables, budgets, and responsibilities. WPs form the basis for planning and reporting in most EU grants
Grantee	The recipient of a grant		
Green Infrastructure	A network of natural and semi-natural areas, designed and managed to deliver a wide range of ecosystem services		
Operational costs	The ongoing expenses incurred from the normal day-to-day running of a business		
Lump Sum Model	A funding method in which EU grants are paid based on completion of work packages, not actual incurred costs. No financial reporting of expenses is required—only delivery of agreed results		

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