

DEFINITE-CCRI

Deal Engine with finance, investment and technical expertise for the Circular Cities and Regions Initiative (CCRI)

Frequently Asked Questions

What is DEFINITE-CCRI?

DEFINITE-CCRI (Deal Engine, with finance, investment and technical expertise for the European Commission's Circular Cities and Regions Initiative – CCRI) is a Horizon Europe-funded project started in November 2022.

DEFINITE-CCRI establishes a Deal Engine Mechanism, providing technical, financial, and circular economy expertise through local Project Development Assistance (PDA) in an unprecedented and streamlined process to cities and regional governments and to project developers. It aims to co-create and prove an end-to-end PDA process, aggregating risk mitigation, EU Taxonomy compliance, circularity criteria, and technical and financial engineering in a single project development service for the CCRI's service portfolio. This will inject the financial, technical, and managerial know-how into urban circular transitions and ultimately contribute to lower virgin non-renewable material use, lower GHG emissions, and more just and inclusive circular employment in line with the European Green Deal, the Circular Economy Action Plan and the Bio-economy Strategy.

What is the Circular Cities and Regions Initiative?

The Circular Cities and Regions Initiative (CCRI) is an initiative launched and funded by the EU under the Circular Economy Action Plan. Its primary focus is to promote and implement the circular economy concept throughout various cities and regions across Europe.

By transitioning to a circular economy, the EU aims to alleviate the strain on natural resources while fostering sustainable growth and job opportunities. This transition is also crucial in achieving the ambitious goal of attaining climate neutrality by 2050, as outlined in the European Green Deal. Cities and regions in Europe, with their unique local contexts, are well-positioned to spearhead this transformative shift and have already started devising their individual plans.

The CCRI's core objectives encompass enhancing collaboration among projects and initiatives, facilitating the dissemination of relevant knowledge, and highlighting exemplary practices. By combining knowledge sharing with technical and financial assistance, the CCRI offers comprehensive support to stakeholders across Europe's diverse cities and regions.

What is a Project Development Assistance Project? How does Definite-CCRI connect to the CCRI Initiative?

The DEFINITE-CCRI project aims to bolster the CCRI's efforts by establishing a project development assistance (PDA) mechanism. This PDA instrument will facilitate the delivery of investment-ready projects to attract investors, actively contributing to the realization of the European Green Deal, the Circular Economy Action Plan, and the practical implementation of the bioeconomy strategy.

The DEFINITE-CCRI PDA mechanism is meant to evaluate the financial, legal, technical, and impact-related readiness of the proposals received. It will offer essential assistance to project owners to mitigate implementation risks and enhance the viability of the projects. The ultimate goal is to develop bankable projects that attract investment, culminating in signed investment commitments by the conclusion of the DEFINITE-CCRI project, in April 2025

What is the Deal Engine Mechanism?

The Deal Engine is the underlying mechanism to provide Project Development Assistance (PDA) services under Definite-CCRI. Via the Deal Engine, Definite-CCRI project partners commit to provide technical, financial, and circular economy expertise to cities, regions, and project owners to develop local bankable projects. The Deal Engine Mechanism will be established and proved during the project lifetime and will be fully digitalised and operated by the end of the project (2025) as a self-sustaining web portal connecting different stakeholders - project owners, CCRI cities, financial institutions - interested in advancing local circular solutions.

What kind of services does Definite-CCRI provide to project owners?

DEFINITE-CCRI value projects individually and offers tailor-made support free of charge:

- **Technical and Impact Potential Assessment:** assessing the circularity impact potential and technical robustness of projects against the EU Taxonomy and the 9R Framework to adjust the project outlines and improve their technical robustness. This is done through the analysis of qualitative and quantitative indicators:
 - Circular material use rate; Circularity impact and co-benefits potential
 - Stakeholders' involvement
 - GHG Emissions reduction potential
 - Technical Excellence & relevance; technology readiness
- **Financial and Investment Baseline Assessment:** assessing the financial viability and bankability of projects according to the financial instruments and investor requirements identified.
 - Analysis of revenue streams
 - Identification of financing and/or funding sources
 - Risk assessment, management plan and financial efficiency

- Due diligence support: Assessing the business model and revenue generation/optimisation in relation to:
 - EU Taxonomy adherence
 - 9R Framework reference
 - Circular Economy Action Plan Contribution
 - Innovation potential
 - Business model and operational review
 - Financial and market analysis
 - Legal analysis as needed
- Project appraisal
 - Dedicated support to enter chosen credit lines
 - Project pitching support
 - Ad hoc advice
- Deal brokerage:
 - Contact with investors and support in negotiations
 - Facilitation of private capital from investors
 - Structuring of public financing from cities and other courses
 - Credit enhancement to attract private capital.

What additional services can project owners expect from the project?

Community of practice:

- Exchange with peers
- Meet experts
- Involve local stakeholders

Capacity building program

- 5 webinars (90 minutes each)
- Discover the main findings of the Deal Engine
- Deep Dive in on-demand topics

Who can apply to be part of the Definite-CCRI pipeline?

Local and regional authorities, or other entities, e.g., infrastructure operators, utilities and services providers, industry, or other suitable entities, provided these are in partnership with the local and regional authorities. In such cases, the partnership with local authorities must be indicated in the respective section of the Project Outline, during the application phase.

Why should cities and project owners participate?

Definite-CCRI offers a wide range of services project owners can benefit from:

- Free tailor-made project development assistance in the form of technical, financial and circular economy expertise to develop bankable projects in line with investors' requirements
- Identification of concrete funding and financing opportunities
- Tailored support to fulfil with the due diligence requirements and processes needed for targeted funding or investment
- Subcontracting fund dedicated to addressing capacity shortages related to data and information (e.g., feasibility studies, environmental impact assessment, market analysis) required to comply with the due diligence criteria and reach a deal with investors.

Which are the eligible countries?

Project owners located in the European Union and HE associated countries are eligible to apply. HE associated countries are:

1. Albania
2. Armenia
3. Bosnia and Herzegovina
4. Faroe Islands
5. Georgia
6. Iceland
7. Israel
8. Kosovo
9. Moldova
10. Montenegro
11. North Macedonia
12. Norway
13. Serbia
14. Tunisia
15. Turkey
16. Ukraine

How can I apply?

The application process consists of a [form](#), including a project outline template and estimated budget for the project. You can have an overview of the type of information requested at the following links:

- the project outline template (link [here](#))
- the Annex on the estimated budget (link [here](#)).

What are the eligibility criteria?

- the project must focus on 'systemic circular economy solutions' (see [EC, 2020](#)) and intrinsically contribute to advancing the objectives of the European Green Deal.
- Projects should be submitted by local and regional authorities, or other entities, e.g., infrastructure operators, utilities and services providers, industry, or other suitable entities, provided these are in a partnership with the local and regional authorities. In such cases, the partnership with local authorities must be indicated in the respective section of the Project Outline Templates, listing the concerned contacts.

- The project must have a local/regional dimension, e.g., more generally by aiming to advance the local transition to the circular economy and, more specifically, by focusing on local and context-specific problems, material streams and resources.
- The project must relate to high-impact value chains, problematic material flows, or economic sector with high innovation potential

What is a circular systemic solution?

A Circular Systemic Solution refers to a project that develops innovative circular models to attain a net sustainability added value within a specific local context. These projects adopt a comprehensive approach and strive to minimize trade-offs. They adopt a systemic perspective by involving various stakeholders and value chains, potentially spanning multiple levels of government and governance. They address diverse circularity challenges and consider all relevant factors that can facilitate or impede the transition to a circular economy at the local level.

When will the call for applications close?

The call for applications will be closed on the 30th of June at 5pm CEST.

Can I apply after the deadline, or resubmit the application in case of rejection?

The application process will remain open through the entire duration of the Horizon Europe project for any project owner that might want to receive support by the DEFINITE-CCRI Deal Engine mechanism. However, further support to those projects might be granted only based on the remaining resources available in the consortium.

Applications not meeting the eligibility criteria or not passing the screening process as such will receive feedback and recommendations for further improvement. Project owners can then re-submit their projects into the pipeline after improvements have been made, adhering to the described timeline and deadlines foreseen by the Deal Engine Mechanism.

Is partnership with multiple cities accepted?

Wide partnerships across different municipalities and different project owners are welcome.

Is there funding available for the implementation of the project?

There is no direct funding available inside Definite-CCRI for project owners to develop their idea. Through the Engine Mechanism, DEFINITE-CCRI aims at supporting projects in reaching bankability. Thanks to its network of investors and financiers, Definite –CCRI is best positioned to understand their requirements and help project owners develop their ideas in the right direction. Limited subcontracting budget is available inside the Definite-CCRI pipeline to overcome any barrier that projects might face to reach bankability. Once a financial source is identified, Definite-CCRI will provide support for the due diligence stage.

What type of funding and financing sources is Definite-CCRI looking at?

During the first phase of the deal engine mechanism, Definite-CCRI supports project owners in identifying the right financing sources for their project. Those might vary from project to project and are defined ad hoc. Definite-CCRI looks at both public and private sources providing grants, loans and equity solutions to projects. Private sources of capital are in particular looked at via the Definite-CCRI investors network.

What is the Technology readiness level expected?

The TRL scale is a type of measurement system used to assess the maturity level of a particular technology. While simple to identify, TRL levels are crucial to define what steps should be taken in order to bring a result to the market. Higher TRL levels are also associated with less risky investments, and therefore more likely to find financing sources. DEFINITE-CCRI favours projects using technologies at TRL level 4 to 8, striking a good balance between innovation and bankability

Are service-based projects eligible?

Yes, both service and product-based projects can apply.

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