Climate

Nature and water

Preventing environmental pollution

<u>Housing</u>

Building and land use

Land use and building act

The national building code of Finland

Land use planning

Digital built environment

Building products

Ecodesign Directive and the Energy Labelling Directive

Building and landscape protection

Wood building

Circular economy in the construction sector

Low-carbon Built Environment Programme

Cultural environment

Wind power construction

<u>Circular economy</u>

The EU and international cooperation

Research and development

Grants and aid

Call for applications: Low-carbon Built Environment Programme, 5th call for applications

VN/32927/2023

CORRECTION NOTICE: The call for applications was corrected on 15.1.2024 to correspond to the purpose and objectives of the call for applications: the definition of a grant applicant has been specified and the terms "subsidy" have been replaced by the term "grant". Links to the definition of economic activity have been added.

Call for applications, grants for green transition of the built environment

Supported by EU RRF funding

The Low-carbon Built Environment Programme (also known as KIRAilmasto) contributes to implementing the Sustainable Growth Programme for Finland, which is part of the EU Recovery and Resilience Facility (RRF). RRF funding is intended to support economic recovery after the pandemic while speeding up the structural renewal of society and the green transition. The objectives of the programme are climate change mitigation and

adaptation as well as finding and deploying low-carbon solutions in the built environment.

The programme is implemented by the Ministry of the Environment and Business Finland. More than one hundred projects focusing on a number of themes have already been funded under this programme.

The applicant must be a Community. The applicant cannot be a private person or a business name. Recipients of the grant may include municipalities, joint municipal authorities, associations, organisations and research institutes that have a Business ID and have fulfilled their obligations, such as taxes and fees, appropriately.

The Act on Discretionary Government Grants (688/2001) applies to the grants. The terms and conditions for using the financial support are laid down in the Sustainable Growth Programme for Finland, Regulation (EU) 2021/241 establishing the Recovery and Resilience Facility, the Act on the Administration, Supervision and Audit of the European Union Recovery and Resilience Facility (537/2022), and the Do No Significant Harm (DNSH) conditions applicable to EU RRF funding (2021/C 58/01).

A report on the application of the DNSH principle was published in early 2022 (Finnish Environment Institute publications 3/2022). Find a link to the Finnish version below.

• Ei merkittävää haittaa -periaatteen (DNSH) soveltaminen Suomen elpymis- ja palautumissuunnitelman hankkeissa (in Finnish, Helda) 🗗

Grant amount and application period

A maximum amount of EUR 0.8 million can be allocated in the Ministry of the Environment's 5th call for applications as set out in central government budgets for 2022 and 2023 (item 35.20.06). Government support may not exceed 70% of a project's eligible costs. Once an applicant has received a decision granting them support, eligible costs may be incurred at the earliest from 1 May 2024 and up till 30 October 2025.

The application period begins on 15 December 2023 and ends at 16:00 on 28 February 2024. Applications received after the deadline will not be processed. The ministry will strive to make all decisions before the end of April 2024.

Eligible activities

The objective of the Low-carbon Built Environment Programme is to accelerate the introduction of technologies, services and operating models that mitigate climate change and support a low-carbon approach in the construction and real estate sector, to promote new practices and to increase productivity. Its aims also include promoting climate change adaptation. The programme's scope of application covers the built environment and construction across a broad front, including planning, zoning, permit processes, construction, the design and manufacture of construction products, built heritage, building engineering, real estate management, real estate business and property management, links to infrastructure and energy efficiency, and service providers.

The supplementary 5th call for applications focuses particularly on projects increasing the efficiency of building stock use, construction materials, carbon sinks and stores as well as adaptation. They may include:

Enhancing the efficiency of building stock use and promoting low-carbon solutions and long service life

- sharing economy of premises, changes of intended uses of buildings, additional and in-fill construction
- low-carbon renovation
- new construction, zoning and plot allocation that support adaptability, versatility and reusability

Construction materials

- promoting the reuse of building elements; processes for their demolition, intermediate storage and reuse;
- promoting the use of natural building materials
- developing the coordination of soil masses

Carbon sinks and stores

- promoting carbon sinks on construction sites
- increasing and measuring carbon stores in the building stock
- low-emission landscaping and green construction solutions

Adaptation

- functioning of buildings and building elements in a changing climate
- role of landscaping and green construction in adaptation

Applicants may also propose other themes that fall within the scope of the programme.

The projects receiving support must mainly be research, development and innovation projects that experiment, develop and communicate about novel solutions. The project outcomes must be openly usable.

Projects related to the existing building stock may also focus on certain sites providing concrete examples of the challenges and solutions associated with the reuse of buildings and building elements. However, funding will not be provided for designing and investing in these projects. The programme can support project actors working with similar themes, such as circular economy in construction, for example through communication activities.

While municipalities may also apply for grants together, joint projects must always have a single applicant to whom the support is granted.

Cooperation with educational institutions, research institutes or companies may additionally be considered an advantage. The applicant may also be a joint municipal authority.

Aid will only be granted for non-economic projects. If the Ministry of the Environment finds that the project involves economic activities, no support may be granted. Economic activity means the activity of an organisation which involves the provision of goods or services in a specific market. The legal form in which the activities are carried out or whether the activities are intended to generate profits are not relevant.

- More information on low-carbon construction in Finnish (ym.fi)
- More information roadmap for low-carbon construction in Finnish (ym.fi)
- More information on projects funded under this programme (kirailmasto.fi) ♂

Further information on the concept of economic activity:

- Valtiontuen käsite (TEM) 🗗
- EU rules on State aid (TEM) I ⊂
- Commission Notice on the notion of State aid (EUR-lex)

Impact and innovation will be appreciated

The grants are discretionary. The evaluation and comparison of applications will be based on an overall assessment taking into account the following criteria:

- 1. Feasibility: The project can be implemented as planned, within the schedule and with the resources available.
- 2. Clarity of the project plan: The plan clearly describes the objectives of the project, the work stages, the outcomes aimed for and the division of labour between the implementers
- 3. Project impact on low-carbon development and/or climate change adaptation: The project plan clearly shows the impacts of the project and the way in which the impacts will be evaluated.
- 4. Wider use of outcomes: The outcomes can also be used by parties other than the project implementers, and the project has a communication plan.

All projects selected for the programme must meet the selection and eligibility criteria in line with the 'Do No Significant Harm' (DNSH) principle. The project must support the objective of either climate change mitigation or adaptation.

The significance of projects in terms of climate change mitigation and adaptation, their mutual superiority and their eligibility will be assessed by the Ministry of the Environment. The Ministry of the Environment may, if it so wishes, request an independent external evaluation of projects, in which confidential processing of applications will be ensured.

Reporting on results and grant use

The beneficiary undertakes to report on the project in connection with payments. For this, the Ministry of the Environment's reporting template will be used. The Ministry of the Environment's communication guidelines must be complied with in project communications.

The Ministry of the Environment will report to the EU on the programme as required under the Commission Regulation establishing the Recovery and Resilience Facility.

Grant payment

The support granted in this call will be paid to the beneficiaries in advance as a single instalment at the start of the project. Once the project has been concluded, the beneficiary will repay any unused portion of the grant to the Ministry of the Environment. A grant paid in advance may be recovered in whole or in part if the beneficiary fails to meet the obligations stated in their application and in the grant decision by the end of the project.

Notification of beneficial owners

Under Article 22 of Regulation (EU) 2021/241 of the European Parliament and of the Council establishing the Recovery and Resilience Facility, the Ministry of the Environment is required to collect data concerning the beneficial owners of final recipients. The data to be collected comprises first names, last names and dates of birth. This data is collected to permit the monitoring and prevention of, for example, conflicts of interest, fraud and money laundering.

In order to collect the data, the applicant must ensure that the notification of beneficial owners and the notification of changed beneficial owner data to the Finnish Patent and Registration Office are submitted as required under the Act on Detecting and Preventing Money Laundering. The data concerning the beneficial owners need not be collected when the beneficiary is a natural person or a body or legal person governed by public law. If the project involves outsourced services, however, the beneficiary must notify the name and business ID of the company they are using to the Ministry of the Environment for the purpose of providing beneficial owner data.

Impact of sanctions on discretionary government grants

Pursuant to Council Regulation (EU) No 269/2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine, the applicant must declare that the sanctions against Russia do not apply to it, its beneficiaries or its subcontractors.

Submission of the application and documents

Applications must be submitted using the electronic application form. The form contains the applicant's DNSH self-assessment and declaration of

meeting the conditions for being granted support.

A freely worded project implementation plan that supplements the information provided on the form must be attached to the application form. The recommended length of the plan is three pages.

Apply for funding by 28 February 2024

Read the 'Do No Significant Harm' (DNSH) requirements, see Appendix 1 below
Read Appendix 2 (Terms and restrictions concerning special grants of the Ministry of the Environment), see Appendix 2 below
Familiarise yourself with projects previously funded under the programme (kirailmasto.fi)
Fill in the application form online (hakulomake.fi)

Appendix 1 Additional information on the DNSH requirement PDF 336kB Appendix 2 Terms and restrictions concerning special grants of the Ministry of the Environment PDF 624kB Appendix 3 Reporting template, final report PDF 294kB

Inquiries

Project cards for all projects in the scheme (kirailmasto.fi) 🗗

Projects funded by the Ministry of the Environment and final reports of completed projects (hankeikkuna) 🗷

General information on the programme and applications for discretionary government grants

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