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# **Joint programme strategy: main development challenges and policy responses**

## **1.1 Programme area (not required for Interreg C programmes)**

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

The programme area covers the whole territory of the EU 27 as well as Norway and Switzerland, referred as Partner States (PS) in this document, corresponding to 254 regions in total (242 regions at NUTS 2 level in the EU27, 5 regions in Norway and 7 regions in Switzerland).

## **1.2. Summary of main joint challenges**

Reference: point (b) of Article 17(3), point (b) of Article 17(9)

### 1.2.1. Context of the programme, including EU major strategic orientations

The European Union (EU)

 is committed to deliver results on several strategies over the coming decades, and the contribution of cohesion policy is key.

The rapid rise of digital technologies is making science and innovation more open, collaborative, and global. The three goals for EU research and innovation policy, summarised as **Open Innovation, Open Science and Open to the World** show how research and innovation contribute across the European Commission’s political priorities. Europe needs to become more inventive, reacting more quickly to changing market conditions and consumer preferences in order to become an innovation-friendly society and economy. The key drivers of research and innovation are most effectively addressed at the regional level.

To overcome climate change and environmental degradation, the **European Green Deal** provides a roadmap for making the EU’s economy sustainable with action to boost the efficient use of resources by moving to a clean, circular economy, and to restore biodiversity and cut pollution. It outlines investments needed and financing tools available and explains how to ensure a just and inclusive transition.

The EU is committed to becoming climate-neutral by 2050. To do this, a European Climate Law has proposed to turn the political commitment into a legal obligation and a trigger for investment. **The strategy shows how Europe can lead the way to climate neutrality by investing in innovative technological solutions, empowering citizens, and aligning action in key areas such as industrial policy, finance, or research – while ensuring social fairness for a just transition.**

The UN 2030 Agenda for Sustainable Development adopted in 2015 is another major objective for the EU. Adopted in 2015, this Agenda is a commitment to eradicate poverty and achieve sustainable development by 2030 world-wide, ensuring that no one is left behind. The adoption of the 2030 Agenda was a landmark achievement, providing for a shared global vision towards sustainable development for all. The scale, ambition and approach of the Agenda are unprecedented. One key feature is that the 17 Sustainable Development Goals are global in nature and universally applicable, taking into account national realities, capacities and levels of development and specific challenges. All countries, regions and cities, have a shared responsibility to achieve the SDGs, and all have a meaningful role to play locally, nationally as well as on the global scale.

The recent crises faced by the EU have increased inequalities in many areas. Working for social fairness and prosperity as part of the EU priority “An economy that works for people” and the European Pillar of Social Rights also appear as key drivers for this programme.  Individuals and businesses, in particular small and medium-sized enterprises, in the EU can only thrive if the economy works for them. The EU’s unique social market economy allows economies to grow and to reduce poverty and inequality. With Europe on a stable footing, the economy can fully respond to the needs of the EU’s citizens.

The implementation of all EU strategies needs to fully consider the territorial dimension and limit their potentially negative differentiated impacts. The aim of the **Territorial Agenda 2030** is to strengthen territorial cohesion in Europe. This means ensuring a future for all places, by enabling equal opportunities for citizens and enterprises, wherever they are located. Territorial cohesion reinforces cooperation and solidarity and reduces inequalities between better‐off places and those with less prosperous outlooks. This is to the benefit of Europe as a whole and for each individual territory. To do so, the Territorial Agenda provides strategic orientations for spatial planning and for strengthening the territorial dimension of all relevant policies at all governance levels. The Territorial Agenda 2030 outlines two overarching objectives: (i) a Just Europe that offers future perspectives for all places and people; (ii) a Green Europe that protects our common livelihoods and shapes societal transition processes broken down into six priorities for the development of the European territory.

More generally, Interreg Europe may accommodate any form of crisis (e.g. humanitarian, climatic with heath waves for instance, pandemic, etc.) that could emerge over its lifetime.

In this respect, at the start of the 2021-2027 programming period, Europe faces an unprecedented situation of health crisis due to the COVID-19 pandemic which took hold in spring 2020. It is set to have very severe and long-lasting effects on many economic sectors (e.g. tourism, cultural and creative sector) and probably on other aspects like the use of transport modes, consumer habits, way of life, health etc. in Europe’s regions. The challenges arising from this health crisis have to be taken into account, next to the ecological transition, the digital transitions and the demographic change that remain crucial issues to be addressed by the EU over the next decades. All these challenges will have strong impacts on a wide range of policy fields at EU, national, regional and local level.

Overall, public policies will undoubtedly need to support the capacity of the European economy and society to recover on the way out of the crisis. In this regard, the EU cohesion policy remains an essential public policy to support the economic and social recovery in all EU regions.With this policy, the EU contributes to the harmonious development across the Union by strengthening its economic, social and territorial cohesion in the EU regions and Member States. Interreg Europe continues to be one of the instruments and accelerators to implement this policy by promoting a large-scale exchange and transfer of experiences, peer-learning and benchmarking across Europe.

*The programme strategy*

### 1.2.2. Disparities and inequalities across Europe and challenges for regions

The characteristics, situation and prospects of European regions in light of the described challenges and strategic orientations are very diverse. Like in the previous programming periods, the regional diversity in terms of opportunities and needs across the EU requires tailor-made policies. It calls for a place-based approach that gives regions the ability and means to deliver policies that meet their specific needs. The uniqueness of each region is also of enormous added-value for other regions in Europe through various forms of mutual learning. It lays the foundation for its role in Europe’s push for a smarter Europe, a greener, climate-neutral and resilient Europe, a more connected Europe, a more social Europe and a Europe closer to citizens.

The triennial report on economic, social and territorial cohesion provides a very valuable insight on major trends at work. The 7th Cohesion Report released in 2017highlighted key trends that are still to be considered for the 2021-2027 programming period, such as the narrowing of regional disparities, the fact that investments in innovation, skills and infrastructure are insufficient and more investments are needed in energy efficiency, renewables and climate-neutral transport to reduce greenhouse gas emissions. However, other trends need to be interpreted with a lot of caution as the economic and social consequences of the 2020 health crisis could have huge, damaging and long-lasting effects in many sectors, and on employment levels after its progressive recovery since the 2008 financial crisis.

Key economic, social and territorial disparities for each of the five pillars selected at EU level are listed below, as well as some crucial policy challenges for European regions, in particular those that are governance-related. Disparities between European regions still persist and might be even deepened by the effects of the COVID-19 health crisis.

In the following descriptions, references are made to large areas across Europe based on the compass points, but the reality is hardly ever so simplistic and existing discrepancies within each large area should be kept in mind.

***A smarter Europe***

Innovation in the EU remains highly concentrated in a limited number of regions. In the southern and eastern Member States, innovation performance is poorer and regions close to innovation centres - mainly capitals - do not benefit from their proximity. It is therefore necessary to develop policies that support technological and non-technological innovation in less developed regions and regions with low diversification, and that connect businesses, research centres and specialised services to businesses in different regions. Cultural and creative assets are considered important unique inputs for these innovative processes.

Despite being drivers of economic development, the concentration of business activities in knowledge economies also contributes to widening the development gap between regions. Regions differ in terms of the intensity and mix of knowledge and innovation activities, thus having different capacities to innovate and innovation processes of various levels of sophistication. Each territorial innovation pattern can be reinforced by knowledge acquisition from outside the region. Achieving positive regional economic development based on research and innovation depends on ability of regions to capitalise on their assets.

A clear core-periphery polarisation exists as a result of the current mechanisms of knowledge production. Regional specialisation patterns by technology use reveal that technology regions (i.e. sectors that actively produce technological solutions) are mainly capital city regions. The increased adoption of 4.0 technologies and processes based on the cyber-physical systems and the internet of things (IoT) which requires new patterns of technology production show that “islands of innovation” can emerge in less advanced regions. From a societal perspective, a specific emphasis shall be put on the acquisition of digital skills to limit the exclusion risk of certain groups, such as the elderly, that may not be well prepared for this rapid transformation.

SMEs in the EU represent 99% of enterprises, 57% of the value added, and employ 66% of the EU labour force. SMEs are considered the backbone of the European economy.However, regions provide different enabling conditions, challenges, opportunities and threats with respect to SMEs growth. Local and regional governance is increasingly important for economic development and competitiveness, as it has the capacity to support companies in many ways. The role of quality governance systems is therefore crucial and is defined as providing two advantages (i) ensuring transparency in decision making and stability and (ii) fostering entrepreneurship and SME creation.

The development of the digital economy and society is uneven in EU Member States. Rural and peripheral regions are vulnerable in the shift towards the digital economy. Digitally more developed regions of northern and central Europe overlap with the knowledge and innovation regions. Considering the high cost of digital infrastructure in territories with geographical challenges, outermost regions and rural areas, digital connectivity could be supported through local measures aimed at increasing demand through the promotion of ICT use and dematerialisation of services.

Larger, more developed cities provide more digital services than small and medium- sized cities, towns and rural communities. The interoperability of public services is considered to be an important factor for reducing digital gaps between countries and regions. Public institutions, civil society and companies should cooperate and exchange knowledge, as this helps to boost the local digital ecosystem and foster the co-creation and delivery of new types of services.

Interregional cooperation can contribute to a smarter Europe by enabling European regions to improve their innovation and R&D policies and programmes, particularly their Smart specialisation strategies. The exchange of experience and policy learning will enable regions to accelerate and improve the implementation of their regional development policies in key areas such as skills development for smart specialisation and entrepreneurship, digitalisation of the economy and the society, digital connectivity, uptakes of advanced technologies, innovation in SMEs, non-technological innovations (organisational, social, etc.).

***A greener, climate-neutral and resilient Europe***

Climate change has different impacts on each of Europe’s biogeographical regions. Observed impacts include environmental changes, a variety of ecosystem changes, as well as changes in the food, water and energy systems. Vulnerability to climate change varies considerably from region to region. Climate change increasingly causes environmental damage, adverse impact on well-being and health as well as economic losses.

In regard to energy, increased efforts will be necessary to achieve the European Green Deal, the European Climate Pact and the upcoming ‘Fit for 55’ package and its target to reduce emissions by at least 55% in 2030. With a view to showing global leadership on renewables, the EU has set an ambitious, binding target of 32% for [renewable energy](https://ec.europa.eu/energy/en/topics/renewable-energy) sources in the EU’s energy mix by 2030.

Reaching the EU’s climate-neutral objectives require infrastructure investments targeting geographically specific renewable energy potentials, increased energy efficiency in regions where resources are scarce, regional cooperation, and an increased focus on bottom-up governance. Rural regions in Southern and Eastern Europe, most of Eastern Europe and outermost regions are the most vulnerable to energy poverty. Many of these regions have the potential to develop renewable energy, but lack the administrative capacity, the vision or the financial resources. Regional and interregional cooperation can support the development of stakeholder networks, the transfer of knowledge and practices of sustainable energy supply and consumption across regions, alignment of actions related to energy transition across the different governance levels.

The circular economy is making an increasing contribution to meeting the EU’s environmental and climate objectives. It is also a stimulus to local and regional development. The region is a relevant level to organise sustainable economic ecosystems, but the regulatory frameworks at regional and local levels should be adapted to the principles of a circular economy. Implementation and diffusion of circular business models (CBMs) is favoured by agglomerations (both economic and urban) in proximity to knowledge hubs. Circular economy material providers play a particularly predominant role in rural regions.

Considering that the transport sector remains one of the main contributors to greenhouse gas emissions and air pollution, public actions supporting the decarbonisation of transport are more important than ever. The supported actions should be inspired by the European strategy for low-emission mobility which aims at ensuring a regulatory and business environment that is conducive to meeting the competitiveness challenges that the transition to low-emission mobility implies.

In addition, the EU Biodiversity Strategy for 2030 is also an important element of the European Green Deal. It aims at protecting our nature and reversing the degradation of ecosystems. EU regions have an important role to play in this process by ensuring effective protection of a significant part of our land and sea and integrating ecological corridors as part of a true Trans-European Nature Network. The EU Nature Restoration Plan, which is a key element of the Strategy, has the potential to make EU regions not only more nature-friendly, but also offers opportunities to increase their resilience to climate change and other environmental risks. Implementation of the Strategy will require, however, unlocking substantial funding from regional/cohesion funds and other sources, as well as involvement of actors at all levels of decision-making.

Finally, the potential network coverage of green infrastructure (GI) at the regional level is relevant to multiple policy frameworks (e.g. biodiversity, water management, climate change, digitalisation). Regions with low potential GI network coverage in north-western Europe need to improve the connectivity of existing GI. Regions with high potential GI network coverage should be supported through policies promoting sustainable land use and increased biodiversity. The development of GI can be facilitated by collaboration between local and regional stakeholders, awareness and capacity building, and knowledge exchange between professionals operating at different implementation stages and scales.

Interregional cooperation can support European regions in delivering a greener, climate-neutral and resilient Europe, in line with the European Green Deal, by enabling them to integrate successful experiences and policies from other regions into their own regional programmes in areas including promoting the transition to a circular economy, climate change adaptation, water management, pollution prevention, risk prevention and disaster resilience, energy efficiency measures, biodiversity restoration, nature-based solutions and green infrastructures and sustainable urban mobility. Where relevant, the programme can promote and enrich the activities and outputs of the regional programmes.

***A more connected Europe***

Good accessibility is a precondition for economic development. By 2030, the accessibility potential of mountain and coastal regions by road or rail will barely reach 80 % of the European average. Sparsely populated places and islands (including outermost regions) will remain below 20 %. Overall, there are significant disparities in accessibility at the regional and local levels

Interregional cooperation can contribute to a more connected Europe by supporting policy learning and capacity building in relation to regional policies promoting sustainable, intelligent and multimodal mobility.

***A more social and inclusive Europe***

Due to the financial crisis of 2008, the unemployment rate in the EU reached a record high of 11% in 2013, and dropped later on to 6.2% in late 2019. But the situation is set to deteriorate strongly in the early 2020s.

There are large and long-lasting gaps between regions in terms of employment and unemployment rates, with significantly higher unemployment rates in countries of southern Europe and outermost regions. Youth unemployment varies widely between around 6 % in countries of central Europe and over 30 % in southern European countries. The employment situation of workers over 50s remains also a worrying issue in most countries while the data also shows that the employment rate of 35–49-year-olds is also worsening.

Overall, the average employment rate was 74% in the more developed regions in 2016, while in less developed regions, the average rate was only 65%.

The ability of regions to withstand economic shocks and address high unemployment is determined by a combination of factors, including the structure of the economy, labour market flexibility, the level of skills, and place-based characteristics, in particular the quality of governance.

For example, regional economies dominated by sectors heavily affected in the COVID-19 crisis, such as tourism or the cultural and creative sectors, may experience more severe and prolonged negative impacts on their socio- economic condition compared to regions with a more diversified economic structure. In this context, it will be important to consider how the budgets as part of the recovery plans and corresponding packages will be used and coordinated at European, national and regional levels.

Working conditions are also growing interest, with aspirations for a better balance between work life and private life, equal opportunities, inclusion of persons with disabilities, as well as more flexible forms of work. Moreover, pensioners’ role and place in the society should be better considered in an ageing society.

As regards migration, the specific measures at EU level taken during the most critical years around the mid-2010s need to be evaluated and extended where relevant. Among the key lessons, the positive economic impact of the presence of refugees is largely determined by the success of their integration into the labour market. Differentiation is needed between policies targeting the socio-economic integration of migrants in urban and rural contexts. When considering the social dimension, the important role of local authorities and NGOs in the successful integration of migrants should be emphasized.

Europe faces increasing and territorially different demographic challenges. Among these challenges, ageing and depopulation / high density population may affect many regions, including rural and peripheral areas. At the same time, many metropolitan/urban areas are facing an increase of inhabitants, with possible severe impacts on social and territorial cohesion, public service provision, labour markets and housing, among others.

Access to services of general interest, education, training, healthcare, social care and social protection and inclusion, appears to be especially difficult for vulnerable groups and for people living in specific types of territories, such as rural areas with low accessibility or areas with geographical specificities, including mountains, islands, sparsely populated areas, coastal areas and outermost regions. Cohesion Policy governance and implementation mechanisms at the national level, and the regional level where relevant, should support capacity building among local stakeholders and institutional multilevel (‘policy making ecosystem’ approach), interregional networking and cooperation.

*In the framework of the European Pillar of Social Rights, Interregional cooperation can contribute to a more social Europe by supporting policy learning and experience transfer on regional policies that will get people back into employment and enhance the effectiveness of labour markets and integration of migrants and disadvantaged groups. Other key fields of action are, for instance, ensuring sufficient and equal access to health care through developing infrastructures, including primary care and specialised health services and enhancing the role of culture and tourism in economic development, well-being, social inclusion and social innovation.*

***A Europe closer to citizens***

Good territorial governance and cooperation are preconditions to counter current social, economic, connectivity and environmental challenges in the European territory. The diversity of the European territory in terms of geography, administrative and governance settings and political differences across regions emphasises the importance of tailored, place-based approaches.

To ensure no places and citizens are left behind, stronger cooperation between places across territorial boundaries is needed, as well as across sector policies. This requires high-quality governance, capacity building and empowerment of the various actors involved.

*Interregional cooperation can contribute to a Europe closer to citizens by supporting key pointers for the development of effective integrated place-based strategies and policies, which could for instance cover cultural heritage among other themes. The support could facilitate better spatially adapted governance, as governance for collective action requires capacity for consensus building and long-term commitment. Besides, experimentation in terms of building governance networks and structures is an important aspect of efficient cooperation structures, and capacity building is a key precondition for efficient territorial policies. Additionally, Interreg Europe could help in ensuring that integrated territorial strategies are concretely implemented on the ground.*

### 1.2.3. Complementarity and synergies with other funding programmes and instruments

The complementarity of Interreg Europe with other forms of support is found in the added value of this cooperation programme against other sources of financing. In some cases, the complementarity may lead to coordination and synergy actions. In other cases, only the added value of Interreg Europe is indicated in the sections below. Therefore, complementarity has a larger scope than coordination. The complementarity and connections that can be established by Interreg Europe refer to the following sources of financing:

***The complementarities with the Investment for Jobs and Growth (IJ&G) goal programmes***

IJ&G programmes are related to ERDF, ESF+, Cohesion Fund and Just Transition Fund. The complementarities with these programmes are already indicated in Article 3 of the ETC Regulation (EU) 2021/1059 on European territorial cooperation (Interreg) and lead to a direct link between Interreg Europe and the IJ&G programmes, both at project and at platform levels.

As regards projects, coordination will be ensured via the link to IJ&G. This link will be established in all projects, as at least one IJ&G programme will need to be addressed by each project. As regards the platform, the MA of the IJ&G programmes are one of the main target groups.

Furthermore, in the event that an IJ&G programme envisages interregional cooperation actions (Article 22.3.d.vi of the Common Provisions Regulation, Regulation (EU) 2021/1060), the complementarity happens automatically. The regions that opted so far for this type of cooperation have specific thematic or geographic aims that could not be covered by any of the existing Interreg programmes. As was the case in the past, these regions will need to define and design of their own cooperation rules. This is where INTERACT can help by bringing inspiration from existing Interreg programmes. Beyond the definition of the rules, Interreg Europe can also help in implementing this form of cooperation when regions are looking for relevant partners or for relevant thematic experiences.

***The complementarity with the Interregional Innovation Investment Instrument***

The Interregional Innovation Investment Instrument is included in the ERDF Regulation (EU) 2021/1058 and consists of two strands. The first strand focuses on investments in interregional projects, whereas the second strand supports the development of value chains in less developed regions. A small budget allocation is dedicated to capacity building, not addressed to public administrations. The new Instrument and Interreg Europe do not overlap, as their objectives and scopes differ.

Still synergies between Interregional Innovation Investment Instrument and Interreg Europe are possible. The results achieved within the new instrument may be an interesting source of learning for the Interreg Europe projects and Policy Learning Platform. Reciprocally, Interreg Europe projects focusing on innovation may set the basis for future Interregional Innovation Investments depending on the lessons learnt from the cooperation and the possible identification of areas for joint investments.

In the framework of the 5-step methodology defined to support the cooperation in S3 thematic Platforms, Interreg Europe can support interregional cooperation in the Learn and Connect phase, while I3 will focus on the support to the Demonstrate, Commercialise and Upscale phase of the investment. Using S3 as coordination principle for interregional cooperation, regions can mobilise complementary assets and unlock the innovation potential within European value chains. Interregional cooperation facilitated by Interreg Europe and place-based innovation ecosystems, can build the bases for successful interregional innovation investments.

***The complementarities to other Interreg programmes***

The complementarities among all Interreg programmes are set in Article 3.3 of the ETC Regulation. In the case of strands A, B and D, both the geographical coverage and the approach of each strand reveal the added value of strand C and of Interreg Europe in particular. Whereas strands A, B and D focus on solutions to solve the cross-border or transnational challenges, Interreg Europe allows for interregional capacity building to improve regional development policies. Cooperation among all Interreg strands is furthermore ensured by the INTERACT programme in the various programme management areas.

As concerns strand C, Article 3 defines the aims and the added value of each interregional (or Pan-European) programme. The dividing lines [and complementarities] between Interreg Europe, INTERACT, URBACT and ESPON are clarified by the ETC Regulation. Interreg Europe focuses on policy objectives to identify, disseminate and transfer good practice into regional development policies, whereas INTERACT focuses on the implementation of Interreg programmes and capitalization of their results. Therefore, the area of intervention of Interreg Europe covers regional development policies in a wider sense, whereas INTERACT’s area of intervention stays in the cooperation domain.

In particular, INTERACT and Interreg Europe respective platforms (KEEP and the platform) have two different objectives, serve two different needs and have different target groups. Whereas KEEP includes data on Interreg, ENI CBC and IPA CBC programmes and projects, Interreg Europe’s database gathers data on regional development practices. The regular exchanges between INTERACT and Interreg Europe also ensures close coordination for subjects of common interest like the implementation of Investment for Jobs and Growth programmes.

The dividing line between Interreg Europe and URBACT is the specificity of URBACT’s thematic focus (integrated and sustainable urban development). Finally, ESPON deals with the analysis of development trends, a distinctive focus among all strand C programmes. The provision of territorial data on recent European development trends can inform the development of Interreg Europe projects and Interreg Europe programme activities. At the same time additional knowledge demand arising from Interreg Europe cooperation might be addressed through targeted analysis by the ESPON programme.

The four Pan-European programmes hold regular meetings (coordinated by INTERACT) and bilateral meetings to define the cooperation and collaboration areas, both at the programming and at the implementation stages. Among other actions, the four programmes have been working together to clarify their respective types of interventions and target groups to ensure both the complementarity and the identification of synergies. At the implementation stage, synergies refer to the mutual promotion of the programme activities, exchange of information for the benefit of each programme activities, and joint organisation of activities.

***The complementarities with other EU instruments and EU policies***

Other relevant EU instruments and policies can benefit from the interregional policy learning opportunities offered by Interreg Europe operations (projects and the platform).

This is for instance the case with the implementation of the Recovery and Resilience Facility.

On research and innovation, complementarities with some Horizon Europe actions can be established. Interreg Europe operations can support in the policy learning process leading to improve skills development for smart specialisation and entrepreneurship, digitalisation of the economy and the society and uptakes of advanced technologies. Knowledge on mature R&I results from H2020 and Horizon Europe can be shared within Interreg Europe and aim for policy making and further capitalisation within the regions, in line with the Horizon Europe Dissemination & Exploitation Strategy and the valorisation of R&I knowledge. In addition, policy changes emerging from Interreg Europe could be linked with the Feedback to Policy Framework of Horizon Europe.

As regards innovation in SMEs, policy learning support can be envisaged towards relevant parts of the Single Market programme and Horizon Europe (notably the European Innovation Council, European Innovation Ecosystems and the Start-Up Europe initiative). Besides, policy learning support could be envisaged towards the industrial ecosystems approach as highlighted in the EU industrial strategy.

The Interreg Europe support to a greener, climate-neutral and resilient Europe could benefit the specific instruments derived from the European Green Deal, the Resource Efficient Europe Flagship Initiative, the Circular Economy Package, the Zero Pollution Ambition, the Life Programme, the EU Biodiversity Strategy and the EU Strategy on Green Infrastructure, and the Knowledge and Innovation Community on Climate. The Knowledge Hub of the European Climate Pact is also a relevant initiative which could further contribute to the dissemination of good practices and successes. Besides, the link to the Horizon Europe mission on adaptation and societal transformation offers opportunities to deal with climate change challenges.

The EU Urban Mobility Package could also benefit from the interregional policy learning on sustainable multimodal urban mobility, whereas the Digital Europe Programme could be targeted as for the digital connectivity.

As regards the access to healthcare, the Health Programme together with Horizon Europe could be an area for complementarities. On employment, this is also the case with the Employment and Social Innovation programme.

***The complementarities with smart specialisation strategies (S3) and its Platform***

During 2014-20, Interreg Europe operations (platform and projects) were coordinated with the S3 Platform. Constant contact between the S3 Platform and the Interreg Europe JS has led to an efficient coordination and joint actions. It also contributed to raise awareness on the approach and possibilities of each instrument, as the target groups were partly coincident. In addition, a number of Interreg Europe projects deal with smart specialisation.

In 2021-27, this operational coordination will be followed-up considering that innovation has always been a popular topic in interregional cooperation. At a strategic level, Interreg Europe 2021-27 contribution to smart specialisation could be regarded as a space for experimentation, learning and generation of good practice in smart specialisation strategies that can serve broader purposes. In addition, the interregional policy learning process helps to build capacities for S3 implementation and to exploit synergies between S3/ERDF and other EU Funds, including Horizon Europe and in particular its European Innovation Ecosystems Work Programme. Interreg Europe projects can complement Horizon Europe priorities such as the missions and partnerships.

***The complementarities with the Territorial Agenda 2030***

A balanced development of the European territory, and a future for all places, by enabling equal opportunities for citizens and enterprises, wherever they are located is at the heart of the Territorial Agenda 2030. With Interreg Europe being part of Cohesion Policy with the aim to reduce disparities between European regions and being the only Interreg programme that provides cross-European policy learning the complementarities are quite obvious. On project level, especially under the Interreg specific objective “a better cooperation governance” and under the thematic fields related to “A Europe closer to citizens” the exchange of good practices, capacity building and policy learning on integrated territorial strategies will contribute to the implementation of the Territorial Agenda 2030. At the same time Interreg Europe can on programme level assure awareness of the territorial settings of project partnerships and such reinforce cooperation and solidarity as well as reduce inequalities between better‐off places and those with less prosperous future perspectives.

### 1.2.4. Lessons-learnt from past experience

***Lessons on operational aspects of cooperation projects and the platform***

All programme evaluation reports have confirmed the efficient and effective support provided by the programme to projects.

In the 2014-2020 period, the programme applied a new structure of interregional cooperation projects with 2 phases and a mid-term review. The action plan at the end of phase 1 and possibility of having pilot actions in phase 2 have been appreciated. However, the final evaluation highlights the importance to further supporting pilot actions and the learning process in phase 2.

A second main aspect in project implementation regards the link to European Structural and Investment Funds (ESIF) programmes,which was a mandatory element for all Interreg Europe projects. The experience in 2014-20 has indicated some obstacles in establishing an effective link, especially as regards the timing gap between the implementation of ESIF and the implementation of Interreg Europe projects. Therefore, it would be relevant to ease the obligation of linking projects to the ESIF programmes. The final evaluation also points to the need to involve as project partners the organisations that are directly responsible for the addressed policy instruments.

Concerning the platform, its structure underwent significant adjustments during the implementation in 2014-20 to make it more effective. It was the first time such an innovative service was developed by an Interreg programme and the overall results of this initiative remains largely positive as reflected in the high satisfaction rate of its users.

***Lessons on policy change and impacts***

The high potential of Interreg Europe to influence directly or indirectly the implementation of regional development policies including European Structural and Investment Funds programmes has been demonstrated for years now and was confirmed by the impact evaluation.

Projects primarily address three levels of learning (individual, organisational and stakeholder). At partners and stakeholder levels, their policy learning processes lead to increase the professional capacity of individuals and organisations. The final evaluation indicates that the scope of project-level learning could be better monitored in the future programme. It also recommends that the indicators system capture the increase capacity t also at organisational level.

Concerning the platform, the qualifications of thematic experts and the involvement of projects are key to the quality of the services. The platform allows the programme to directly address the fourth level of learning (external) meaning to create learning opportunities for individuals and organisations not involved in projects. In this context, the peer review tool has been one of the most successful services.

In the future, the learning process needs to be more demand-driven. In this respect, the targeted groups should be more stimulated by awareness-raising actions as early as possible, performed by the programme and at national level.

The evaluation carried out in the 2014-2020 period confirmed the significant impact of the Interreg Europe programme. By May 2021, the amount of funds influenced by projects already exceeded 1 billion euros (through the funding of new initiatives or new calls in the regions inspired by the cooperation; further information on www.interregeurope.eu/projectresults).

### 1.2.5. Macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies

Given the pan-European nature of the Interreg Europe programme, it is not opportune to introduce a specific focus on, or give priority to Interregional Cooperation Projects or activities that target a specific macro-regional strategy or a sea-basin strategy (or initiative). However, proposals for Interregional Cooperation Projects that include issues related to one or more macro-regional strategies and/or sea-basin strategy, as part of the practice sharing and policy learning among regional actors from different parts of Europe will be welcome by the programme, as long as the proposal includes a geographical balance in terms of countries represented in the partnership.

### 1.2.6. Strategy of the programme

Interreg Europe is part of the interregional cooperation strand of European territorial cooperation (Interreg strand C), which supports interregional cooperation to reinforce the effectiveness of cohesion policy.

The ETC Regulation (EU) 2021/1059, Article 3.3.a, states that the aim of the Interreg Europe programme is to promote the exchange of experiences, innovative approaches and capacity building focusing on policy objectives, in relation to the identification, dissemination and transfer of good practices into regional development policies, including Investment for jobs and growth goal programmes.

This statement positions Interreg Europe as the programme dedicated to supporting cooperation between regional policy actors from across Europe so they can exchange and learn from each other’s practices in the implementation of regional development policies. It emphasises the importance to focus this cooperation on policy objectives as well as on process-related issues covered by the Interreg-specific objective "a better cooperation governance, to enable regional policy actors to learn and adopt novel approaches and increase their capacities for the design and delivery of regional policies of shared relevance.

The rationale for this form of interregional cooperation is that by increasing capacities, regional policy actors become more effective and successful in the implementation of regional development policies, which in turn will increase the territorial impact of these policies. This rationale is a continuation of the approach implemented by the Interreg Europe programme in the period 2014-2020.

**Overall objective of the Interreg Europe 2021 – 2027 programme**

Based on the objective set in the European territorial cooperation regulation and the rationale described above, the following overall objective is defined for the Interreg Europe programme:

*To improve the implementation of regional development policies, including Investment for jobs*

*and growth goal programmes, by promoting the exchange of experiences, innovative*

*approaches and capacity building in relation to the identification, dissemination and transfer*

*of good practices among regional policy actors.*

**The Interreg-specific objective ‘a better cooperation governance’ as single programme objective**

In view of the rationale and the overall objective of the programme presented above, the programme is structured on the basis of the Interreg-specific objective ‘a better cooperation governance’ (ETC Regulation (EU) 2021/1059, Articles 14 and 15) - as the single and overarching objective of the programme.

This Interreg-specific objective enables Interreg programmes to support actions to enhance the institutional capacity of public authorities and relevant stakeholders involved in managing specific territories and implementing territorial strategies.

The choice for this Interreg-specific objective is based on the following considerations:

* It reflects the focus of the Interreg Europe programme on the exchange of experiences and capacity building among regional policy actors to improve their capacity for the design, management and implementation of their regional development policies. This focus on capacity building contributes perfectly the definition of the Interreg-specific objective on governance.
* It is in line with the type of results that can be expected from the Interreg Europe programme, which are increased capacities of regional policy actors and improvements in the (implementation of) regional policy instruments.
* It does justice to the diversity of regional policy challenges across the European territory. Under the umbrella of this Interreg-specific objective, regional policy actors can work together on all policy issues of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy.
* It offers the programme a certain flexibility to adapt to emerging policy developments - again, within the scope of cohesion policy.

**Scope of the programme**

As indicated above, the focus on the Interreg-specific objective ‘a better cooperation governance’ implies that beneficiaries can cooperate on all topics of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy. From a thematic perspective, this scope is defined by the policy objectives and specific objectives of cohesion policy as presented in Regulation (EU) 2021/1060 on Common Provisions, Article 5 and Regulation (EU) 2021/1058 on ERDF, Article 3. At the same time, the programme recognises the need to concentrate resources on those policy areas that are most relevant and urgent for regions in Europe.

To strike a balance between the need to accommodate interregional cooperation on a broad range of topics and the need for thematic concentration, the programme will concentrate the largest share of the programme budget (80%) on thematic areas covered by a selection of specific objectives (‘group 1’). The remaining 20% of the programme budget can be allocated to the thematic areas included in the other specific objectives of cohesion policy (‘group 2’).

The composition of these two groups is presented below:

* Group 1- Thematic areas covered by:
* all SOs under PO 1-Smarter Europe
* all SOs under PO 2-Greener Europe
* under PO 4-More social Europe, SOs related to labour markets (i), health care (iv) and culture and sustainable tourism (v)
* Group 2- Thematic areas covered by:
* all SOs under PO 3-More connected Europe
* all SOs under PO 5- Europe closer to citizens
* under PO 4-More social Europe, SOs related to education (ii), socioeconomic inclusion (iii), integration of third country nationals (iii)bis

The topics included in group 1 above reflect the continued importance of the Smarter Europe and Greener Europe policy objectives, which were also at the heart of the Interreg Europe 2014-2020 programme.

At the same time this selection also reflects the emerging urgency at the time of programme development of addressing new fields of regional policy in light of the impact of the Covid-19 pandemic, in particular related to labour market and health care challenges under the More Social Europe objective.

The composition of and allocations to these groups are indicative and may be subject to modifications during the programme implementation according to the internal rules or procedures defined by the Monitoring Committee.

Additionally, in line with the selection of the Interreg-specific objective ‘a better cooperation governance’, Interreg Europe may also support cooperation on issues directly related to policy instrument implementation such as state aid, public procurement, territorial tools, financial instruments, evaluation of public policies (without focussing on a specific thematic area). These issues are directly linked to Interreg-specific objective ‘a better cooperation governance’.

**Operationalising the strategy**

To achieve its overall objective, the Interreg Europe programme strategy consists of two complementary elements, building on the approach adopted by the Interreg Europe 2014-2020 programme.

On one hand, the programme will support interregional cooperation projects between regional policy actors, dedicated to exchange, capacity building and transfer of good practices and innovative approaches with the specific aim to prepare the integration of the lessons learnt from cooperation into regional policies and actions.

On the other hand, the programme will continue to facilitate policy learning services and capitalisation of regional policy good practices on an ongoing basis – in line with the policy learning platform approach – to enable regional level actors from across the EU to tap into relevant experiences and practices whenever they need them to strengthen their policies.

These operational elements at programme level are applicable to all the specific objectives supported by the programme.

As specified in the overall objective above, Interreg Europe targets **regional policy actors**. This target group includes national, regional and local authorities as well as other relevant bodies responsible for the definition and implementation of regional development policies. The composition of this target group is quite diverse, reflecting the diversity in institutional and geographical conditions in the Partner States. A more elaborate description of these actors is provided in the target groups’ description in section 2 of this document.

As a general rule the **beneficiaries of the programme** are public bodies and bodies governed by public law. Private non-profit bodies may also be beneficiaries under certain conditions (see also Section 2 of this document). Detailed provisions will be outlined in the programme manual.

Private companies, especially **SMEs,** are an important target group in the context of several supported specific objectives and when relevant they are encouraged to participate in the activities of Interreg Europe actions and benefit from the exchange of experience, although they cannot directly receive EU funding as a beneficiary.

During the programme implementation, the Managing Authority will promote when relevant the strategic use of public procurement to support Policy Objectives (including professionalization efforts to address capacity gaps). Beneficiaries are encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives should be incorporated into public procurement procedures.

## **1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure**

Reference: point (c) of Article 17(3)

Table 1

|  |  |  |  |
| --- | --- | --- | --- |
| **Selected policy objective or selected Interreg-specific objective**  | **Selected specific objective**  | **Priority**  | **Justification for selection** *Text field: [2 000 per objective]* |
| Interreg-specific objective (ISO) 'a better cooperation governance' | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; | **1** | The choice for the Interreg-specific objective is based on the following considerations:* European regions are facing heavy economic, environmental and social challenges.
* The cooperation potential of and opportunities for public institutions and stakeholders of European regions in order to promote the exchange of experiences, innovative approaches and capacity building on policy objectives and on issues directly related to policy instrument implementation, are not sufficiently developed and exploited in relation to the identification, dissemination and transfer of good practices into regional development policies, including Investment for jobs and growth goal programmes.
* The focus of the Interreg Europe programme on the exchange of experiences and capacity building among regional policy actors to improve their capacity for the design, management and implementation of their regional development policies fits perfectly the definition of the Interreg-specific objective on governance.
* It is in line with the type of results that can be expected from the Interreg Europe programme, which are increased capacities of regional policy actors and improvements in the (implementation of) regional policy instruments.
* It does justice to the diversity of regional policy challenges across the European territory. Under the umbrella of the Interreg-specific objective, regional policy actors can work together on all policy issues of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy.
* It offers the programme a certain flexibility to adapt to emerging policy developments - again, within the scope of cohesion policy.
 |

# **2. Priorities**

*Reference: Article 17(3)(d) and (e)*

## **2.1. Title of the priority** (repeated for each priority)

*Reference: Article 17(3)(d)*

*Text field: [300]*

**Priority 1: Strengthening institutional capacities for more effective regional development policies**

 This is a priority pursuant to a transfer under Article 17(3)

2.1.1. Specific objective(repeated for each selected specific objective, for priorities other than technical assistance) - *Reference: Article 17(3)(e)*

**Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders.**

#### **2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate** - *Reference: Article 17(3)(e)(i), Article 17(9)(c)(ii)*

*Text field [7000]*

**Introduction**

Interreg Europe aims to improve the implementation of regional development policies, including Investment for jobs and growth goal programmes. It will do this by promoting the exchange of experience, innovative approaches and capacity building in relation to the identification, dissemination and transfer of good practices among regional policy actors to strengthen their institutional capacities for a better implementation of their policies.

The focus on the Interreg-specific objective ‘a better cooperation governance’ implies that beneficiaries can cooperate on all topics of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy. From a thematic perspective, this scope is defined by the policy objectives and specific objectives of EU cohesion policy 2021-2027.

However, the programme will concentrate its resources on a restricted number of topics, as described in section 1.2.6. To achieve its objectives, Interreg Europe supports two complementary types of action: interregional cooperation projects and a Policy Learning Platform.

1. **Interregional cooperation projects**

The programme will support ***interregional cooperation projects*** between regional policy actors. The objective of the projects is to improve the implementation of regional development policies of participating regions, including ***Investment for jobs and growth goal (IJ&G) programmes*** – in line with the programme mission as described in the ETC regulation (EU) 2021/1059 (Article 3.a).

The programme translates this mission by applying a requirement for all supported projects that at least one of the regional policy instruments addressed by the partnership must be anIJ&G programme.

Projects have two phases.

In principle, the core phase lasts a maximum of three years and is dedicated to improving policies through learning. It therefore involved learning ***activities*** to support the exchange of experience, capacity building, the transfer of good practices, and innovative approaches. These activities contribute to increasing the professional capacity of the people and institutions participating in projects with the ultimate goal of integrating the lessons learnt from cooperation into regional development policies.

As part of the ‘innovative approaches’, activities can also include, in justified cases, pilot actions to test new and promising approaches. Pilot actions shall be part of the learning process contributing to achieving the project objectives. Pilot actions can be approved from the start of a project. This happens when the partnership is already aware during the project preparation of an innovative approach worth testing. Pilot actions can also be requested later on in the course of the project implementation, based on lessons learnt from the project.

Each project will be subject to a midterm review before the end of the core phase. The objective is to check the progress achieved toward the objectives and prepare the ground for the follow-up phase. This will also be the last moment for the project to request a pilot action.

Partner regions that do not achieve policy improvement during the core phase must, by the end of this core phase, produce an ***action plan for policy improvement***: this will be in the form of a document explaining how a partner region will improve its policy using what is has learned from the project.

After the core phase, the follow-up phase constitutes the final year of the project. This is primarily dedicated to **monitoring** the first effects of the policy improvements and whether additional policy improvements are achieved. More specifically, partner regions having already improved policies in the core phase monitor the effects of these improvements in their territories. The other partner regions, which will have produced a policy improvement action plan are required to monitor whether the improvements envisaged in their plans are achieved. The programme reporting system will be designed to ensure a proper monitoring of this phase.

During the follow-up phase, partners can also continue to learn from the implementation of the policy improvements and from the finalisation of the possible pilot actions.

Throughout the project, partners engage a ***regional stakeholder group*** to ensure that the relevant actors in each region are actively involved in policy learning and in the preparation, implementation and monitoring of policy improvement.

Projects are also expected to contribute to the content and activities of the Policy Learning Platform (see point 2 below) to ensure that relevant lessons learnt from projects can reach other regional policy actors in Europe.

More detailed requirements, conditions and practical provisions for the interregional cooperation projects will be provided in the programme manual.

1. **Policy Learning Platform**

Interreg Europe will support a ***Policy Learning Platform*** (from here on: platform) to facilitate policy learning and capitalise on good practices on an ongoing basis. The platform will enable regional policy actors from across Europe to tap into relevant experience and practice whenever needed to strengthen their institutional capacity in view of improving their regional development policies, including programmes for Investment in jobs & growth.

The platform offers a range of activities and services to the European regional policy community. The thematic coverage of the platform activities will reflect the thematic concentration of the programme, cf. section 1.2.6. It supports networking and exchange of experience among relevant regional policy actors. The platform primarily builds on the results of interregional cooperation projects of the previous and present programming periods and makes them available to a wider audience of regional policy actors across Europe. The projects’ contribution to the platform activities is therefore essential. The platform also contributes to the development of policy learning and to synergies with other relevant initiatives, in particular other existing platforms addressing similar topics and target audiences.

The services offered by the platform build on the experience gained in the 2014-2020 period and will consist in particular of:

* *Expert support* for policy learning (e.g. policy helpdesk, peer reviews)
* *Good practice database*
* *Community* *of peers* - networking opportunities between regional policy actors
* *Knowledge hub* - access to knowledge on specific policy areas (e.g. policy briefs, webinars, reports, other platforms)

These different services are developed in close cooperation with the JS which contributes to the platform activities through its deep knowledge of the projects. The beneficiary of the Platform is the GEIE GECOTTI (i.e. the body entrusted by the Managing Authority to implement the Interreg Europe programme). More detailed arrangements regarding the activities and services as well as the organisational structure of the platform will be detailed in the programme manual, based on the 2014-20 experience and the evaluation recommendations.

### 2.1.3 Indicators

*Reference: Article 17(3)(e)(ii), Article 17(9)(c)(iii)*

Table 2: Output indicators

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Priority**  | **Specific objective**  | **ID** **[5]**  | **Indicator**  | **Measurement** **unit** **[255]**  | **Milestone (2024)** **[200]**  | **Final target (2029)** **[200]**  |
|  ***1*** | *Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;* | ***RCO81***  | Participations in joint actions across borders | Participants | 5 000 | 14 000 |
| ***1*** | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; | ***RC087*** | Organisations cooperating across borders | Organisations | 6 900 | 12 000 |
|  ***1*** | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; | ***RC084*** | Pilot actions jointly developed and implemented in projects | Pilot actions  | 0 | 180 |
| ***1*** | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; | ***OI4*** | Policy instruments addressed | Policy instruments | **800** | **1 600** |

Table 3: Result indicators

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Priority**  | **Specific objective**  | **ID**  | **Indicator**  | **Measurement unit**  | **Base-line**  | **Reference year**  | **Final target (2029)**  | **Source of data**  | **Comments**  |
| *1* | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; | *RI1* | *People with increased capacity due to their participation on platform events* | Participants | 0 | 2022 | 4 200 | *Programme monitoring system & survey* |  |
|  *1* | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; |  *RI2* | *Organisations with increased capacity due to their participation in interregional cooperation* | *Organisations* | 0 | 2022 |  7 900 | *Programme monitoring system & survey* |  |
|  *1* | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders; |  *RI3* | *Policy instruments improved thanks to Interreg Europe*  | *Policy instruments*  | 0 | 2022 | 800  | *Programme monitoring system* |  |

### 2.1.4 The main target groups

*Reference: Article 17(3)(e)(iii), Article 17(9) (c)(iv)*

*Text field [7000]*

**Target group**

The Interreg Europe programme’s core target group is any organisation responsible for regional development policy. This includes national, regional, local public authorities and other relevant bodies responsible for developing and/or implementing regional development policies, including IJ&G programmes, in the thematic fields addressed by the programme.

The programme also targets other types of relevant organisations provided that their relevance and competence in regional development policy can be demonstrated. These include for instance (not exhaustive):

* Business support organisations (e.g. development agencies, innovation agencies, chambers of commerce, clusters)
* Environmental organisations (e.g. environmental agencies, energy agencies, NGOs)
* Education and research institutions (e.g. universities, research centres)
* Other organisations of relevance to regional development policies

Some specific programme activities, in particular of its Policy Learning Platform, may focus on sub-set of these target groups, in particular the core target groups. Further details on the nature of the involvement of these target groups in projects and in platform activities will be specified in the programme manual.

**Regional stakeholder group**

As described in 2.1.2. point 1, project partners must set-up and work closely with a regional stakeholder group. Members of these stakeholder groups could come from the target groups mentioned above (provided they are not partner in the project) as well as from other relevant categories, including SMEs and other relevant private sector bodies.

**Eligible beneficiaries**

The following categories of beneficiary will be eligible to receive funding from Interreg Europe:

* ***Public authorities***
* ***Bodies governed by public law*** (this definition comes from Article 2.4 of Directive 2014/24/EU of the European Parliament and the Council on Public Procurement), this means any body:
1. established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;
2. having legal personality; and
3. financed, for the most part, by the State, regional or local authorities, or by other bodies governed by public law; or are subject to management supervision by those authorities or bodies; or have an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.
* ***Private non-profit bodies***. In Interreg Europe, this means any body
1. not having an industrial or commercial character;
2. having a legal personality; and
3. not financed, for the most part, by the state, regional or local authorities, or other bodies governed by public law; or are not subject to management supervision by those bodies; or not having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.

Private non-profit bodies cannot take on the role of a lead partner in Interreg Europe projects.

**Guiding principles for selection of projects**

Interregional cooperation projects will be selected using regular calls for proposals addressing either the full scope of the programme or specific topics, subject to the approval of the Monitoring Committee. Their terms of reference may take into account developments and results of previous calls, policy trends and other new circumstances, as well as any guidance from the policy learning platform.

Applicants will be asked to specify which thematic area of the Interreg Europe programme (as presented in section 1.2.6) is the main focus of their project. Projects having cross-cutting synergies among different topics are also welcome as long as the main issue they address remains clear.

In order to ensure the programme contributes to territorial cohesion, a balanced combination of regions of varying development levels will be encouraged in the project partnerships. In this respect, a broad geographical coverage, spanning different parts of the programme territory would also be desirable in each partnership. This implies that partnerships must in principle go beyond cross-border and transnational areas. In line with Article 349 of the Treaty on the Functioning of the European Union, the guiding principles also take into consideration the characteristics of outermost regions and the possibility of cooperation among these regions.

The Programme Manual will provide a detailed description of the criteria used for selecting the projects. In terms of quality, the criteria will cover core issues such as the overall relevance of the proposal, the quality of the expected results and the quality of the proposed partnership.

Finally, horizontal principles (sustainable development, gender equality, equal opportunities and equal treatment) in accordance with Article 9 of Regulation (EU) 2021/1060 on Common Provisions will be duly taken into consideration in the application, selection, monitoring and evaluation procedures. The particulars on how these principles will be applied in practice will be set out in the programme manual.

### Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

*Reference: Article 17(3)(e)(iv)*

*Text field [7000]*

Interreg Europe aims to improve the implementation of regional development policies, including Investment for jobs and growth goal programmes, by promoting the exchange of experiences, innovative approaches and capacity building among regional policy actors across the programme territory.

The sheer diversity of Europe’s regions, with their vastly different characteristics, opportunities and needs, means going beyond ‘one-size-fits-all’ policies. It calls for place-based approaches that give regions the ability and means to deliver policies that meet their specific needs. At the same time, this diversity is an asset allowing each region to develop to its strengths while benefitting from other regions through various forms of interaction. Interreg Europe can contribute to the integrated territorial development of regions across Europe by enabling them to improve the implementation of their regional development policies by learning from the experience and practices of other regions.

Given its objectives and geographical scope, Interreg Europe targets all regions of the programme territory, with no particular focus on specific territories. As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments.

However, the implementation of such territorial tools could be addressed by Interreg Europe projects. Regional policy actors from different regions may indeed be interested in improving the implementation of such tools through exchanging and transferring their experiences in this matter.

### 2.1.6 Planned use of financial instruments

*Reference: Article 17(3)(e)(v)*

*Text field [7000]*

The Interreg Europe programme has no plans to us financial instruments due to the nature of the activities it supports, which mainly involves exchanging experience, building capacity, transferring good practices and testing innovative approaches.

However, the use of financial instruments at regional level could be addressed by Interreg Europe projects. Regional policy actors across Europe may be interested in improving their use of financial instruments through exchanging and transferring their experiences in this matter.

###  2.1.7 Indicative breakdown of the EU programme resources by type of intervention

***Reference: Article 17(3)(e) (vi), Article 17(9)(c)(v)***

Table 4: Dimension 1 – intervention field

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Priority No** | **Fund** | *Specific objective* | **Code** | **Amount (EUR)** |
| **1** | **ERDF** | Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders.  | 132 | 351,372,842.59 |

Table 5: Dimension 2 – form of financing

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Priority No** | **Fund** | *Specific objective* | **Code** | **Amount (EUR)** |
| **1** | **ERDF** |  |  | 351,372,842.59 |

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Priority No** | **Fund** | *Specific objective* | **Code** | **Amount (EUR)** |
| **1** | **ERDF** |  |  | 351,372,842.59 |

# **3. Financing plan**

*Reference: Article 17(3)(f)*

## **3.1 Financial appropriations by year**

*Reference: Article 17(3)(g)(i), Article 17(4)(a) to (d)*

Table 7

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Fund***  | ***2021*** | ***2022*** | ***2023*** | ***2024*** | ***2025*** | ***2026*** | ***2027*** | ***Total*** |
| *ERDF* *(territorial cooperation goal)*  | 51,044,957 | 52,065,855 | 53,107,173 | 54,169,316 | 55,252,702 | 56,357,757 | 57,484,910 | 379,482,670 |
| *ERDF programmed under Article* *17(3)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *IPA* *III CBC[[1]](#footnote-2)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *NDICI-* *CBC[[2]](#footnote-3)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *IPA III[[3]](#footnote-4)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *NDICI[[4]](#footnote-5)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
|  |  |  |  |  |  |  |  |  |
| *OCTP[[5]](#footnote-6)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| *Interreg* *Funds[[6]](#footnote-7)*  | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ***Total***  | 51,044,957 | 52,065,855 | 53,107,173 | 54,169,316 | 55,252,702 | 56,357,757 | 57,484,910 | 379,482,670 |

## **3.2 Total financial appropriations by fund and national co-financing**

*Reference: Article 17(3)(f)(ii), Article 17(4)(a)* to (d)

Table 8~~~~

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***PO No or*** ***TA***  | ***Priority***  | ***Fund*** ***(as applicable)***  | ***Basis for calculation EU support (total or public)***  | ***EU contribution*** *(a)* | ***Indicative breakdown of the EU contribution***  | ***National contribution*** *(b)=(c)+(d)* | ***Indicative breakdown of the national counterpart***  | ***Total*** *(e)=(a)+(b)* | ***Cofinancing rate*** *(f)=(a)/(e)* | ***Contributions from the third countries*** *(****for information)***  |
| Without TA pursuant to Article 27(1) (a1)  | For TA pursuant to Article 27(1) (a2) | ***National public*** *(c)* | ***National private*** *(d)* |
|  | ***Priority 1***  | *ERDF****24*** | Total |  379 482 670,00 | 351,372,842.59 | 28,109,827.41 | 94 870 667,50 | 84,670,667.50 | 10,200,000.00 | 474 353 337,50 | 80% | 4,060,000 |
| *IPA* *III CBC25*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *NDICI- CBC26*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *IPA III27*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *NDICI28*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *OCTP* *29*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *OCTP30*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
| *Interreg Funds31*  |  |  *0* |  |  |  *0* |  *0* |  *0* |  *0* |  |  |
|  | ***Total*** | ***All funds***  | Total |  379 482 670,00 | 351,372,842.59 | 28,109,827.41 | 94 870 667,50 | 84,670,667.50  | 10,200,000.00 | 474 353 337,50 | 80% | 4,060,000 |

1. *When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.*
2. *Interreg A, external cross-border cooperation.*
3. *Interreg A, external cross-border cooperation.*
4. *Interreg B and C*.
5. *Interreg B and C*.
6. *Interreg B and C*.
7. *Interreg C and D.*
8. *ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.*

# **4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation**

*Reference: Article 17(3)(g)*

*Text field [10 000]*

**4.1. Action taken to involve the relevant programme partners in the preparation of the Interreg programme**

**Programming Committee**

The preparation process of the Interreg Europe programme started in December 2019 in Helsinki with the setting up of a Programming Committee (PC) with the specific task to prepare the interregional cooperation programme for the 2021-2027 period. The PC was composed of up to three representatives per Partner State (27 EU Member States, Norway and Switzerland). Where applicable, these representatives came from both national and regional levels of the States represented to ensure efficiency and broad representation, in coherence with their administrative system and institutional organisation. The European Commission participated in an advisory capacity. The Committee of the Regions (CoR) was also an advisory member of the Programming Committee.

The PC met frequently during the preparation process to discuss and decide on the subsequent steps of the programming process. Partner States followed their own arrangements in order to prepare their input to the discussions. Most of these meetings were organised online due to the COVID-19 crisis.

Two online surveys, the first one on the programme structure and the second one on the actions to be supported and the target groups, were respectively launched in spring 2020 and in summer 2020. They were widely distributed on the national levels in order to get a feedback from all relevant national and regional key players.

Where applicable, the national committees were also regularly consulted under the aegis of the relevant national authority.

The Joint Secretariat of the Interreg Europe programme acted as secretariat of the current PC. As mentioned above under section 1.2.3., the JS got involved in the discussions with the other Pan-European programmes to clarify their dividing lines and synergies.

In view of the completion of a draft Cooperation Programme by mid-2021, the Programming Committee took several actions to consult a wide array of partners all over Europe on their views and proposals for the programme.

**Public consultation**

A continuous online consultation process was initiated during the preparation phase of the CP giving all relevant stakeholders the opportunity to comment on the different draft versions of the CP. The following draft versions of the CP were published on the Interreg Europe website:

* the first draft version on 25 September 2020 with the first strategic orientations
* the second draft version on 18 December 2020 with the operational modalities for projects and the platform.
* the final draft version of the CP was put out for a formal public consultation over a prolonged period of five weeks from 15 March to 16 April 2021. Participation in this public consultation, which took the form of an on-line survey, was open to all interested actors across Europe. Representatives of the Partner States actively communicated the possibility to participate in this consultation to the relevant stakeholders in their country. This online public consultation survey was consulted by 554 people, among which 158 completed the questionnaire, coming from all participating countries. These contributions included more than 250 individual comments and suggestions for modification or clarification of the programme. Public authorities (local, regional and national) represented 45% of the respondents, education and research institutions 18% and business support organisations 9%. A list of all responding organisations is provided in appendix 4 of this document.

Partner States disseminated the public consultation to the relevant stakeholders in their countries sometimes in national languages.

**Stakeholders workshop**

In order to promote the online public consultation process, a dedicated online ‘stakeholders workshop’ was organised on 24 March 2021 to consult any interested partners in Europe. Out of the 1,000 registered people, 647 actually participated in this webinar. Participants were able to raise questions both at the registration phase and during the webinar via the chat. They were invited to contribute to the official consultation to have their comments and suggestions taken into consideration.

The main questions and/or requests for clarification were related to the following topics: a) the choice of one single priority of the future programme and its presentation as ‘cross-cutting’ several thematic areas; b) the lighter focus on improving Structural Funds related programmes, c) the links to other relevant EU policies or instruments ; d) the new possibilities open for pilot actions; e) the use of simplified cost options (SCOs). A final report as well as the recording of the workshop were published on the Interreg Europe programme website.

***Integration of partners’ feedback in the cooperation programme***

The way the partners’ contribution was integrated in the final version of the cooperation programme can be summarised as follows.

When it comes to the joint programme strategy (section 1), the description of the overall context was improved. Specific references or more elaborated texts were included for instance on the link between biodiversity and climate change, the combination of green and digital technologies, the equal opportunities and role of people with disabilities in employment, the well-being dimension under a more social Europe.

In response to the need to reinforce the coordination with other funding sources, the possible synergies to the Interregional Innovation Investments instrument as well as other relevant EU instruments (e.g. Horizon Europe) were further elaborated. Finally, several references to outermost regions were included to better recognise the unique character of their situation.

When it comes to the priority (section 2), no major and recurring issues were received. On the contrary, the additional flexibility with regards to the scope of the programme or the two phases were often recognised as a positive evolution. The suggestions to further clarify the operations’ features will also be addressed in the programme manual.

For the financing plan (section 3), a few requests were related to the need for a higher co-financing rate to secure full involvement of specific categories of actors/territories. The current financial arrangement however already takes into considering the maximum co-financing rate allowed by the regulations.

Concerning the partners involvement, the description was also improved based on several contributions. In particular, the composition of the monitoring committee as well as the way the consultation of relevant stakeholders was and will be ensured were clarified.

For the communication described in section 5, the results of the public consultation led to minor specifications for instance related to the role of transnational networks and platforms as important multipliers, or referring to progress reports as key documents for evaluation.

Finally, the contributions related to the implementation modalities (mainly sections 7 and 8) will be taken into consideration at the level of the programme manual.

The list of all comments received as well as the analysis of the public consultation results were published on the Interreg Europe programme website.

**Strategic Environmental Assessment**

Due to its core focus on capacity building, the Interreg Europe programme will not have direct impact on the environment and was therefore not subject to a strategic environmental assessment (SEA).

**4.2. Role of those programme partners in the implementation, monitoring and evaluation**

The programme bodies comply with the Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds. This relates in particular to the « main principles and good practices concerning the involvement of relevant partners in the preparation of the partnership agreement and programmes » (Articles 8 and 9) and the « good practices concerning the formulation of the rules of membership and internal procedures of monitoring committees » (Articles 10 and 11).

The Interreg Europe Monitoring Committee includes up to three representatives from each Partner State at the appropriate governance levels. The MC meets on a regular basis, in principle twice a year (*see detailed list of MC members on the programme website)*.

In addition, the involvement of the CoR will be continued. This pan-European body participates in the Monitoring Committee in an advisory capacity. This will ensure that the perspective of the regional and local authorities will be represented throughout the life of the programme.

Each Partner State has in principle one or several national or regional representative(s) (National Points of Contact) who can provide programme information in local languages (*see detailed list of National Points of Contact on the programme website)*.

All Partner States agreed to support the programme’s implementation with:

1. Eligibility check of partner status, based on the information provided and on the national legal framework.

2. Relevance check of the letter of support signatory (if applicable and further specified in the programme manual)

3. National specific information

4. Point of contact for potential applicants

5. Wide dissemination of programme information, including about the Platform services

6. Organisation of national/ regional events for information and dissemination, including promotion of the Platform services.

# **5. Approach to communication and visibility for the Interreg programme, (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)**

*Reference: Article 17(3)(h)*

*Text field [limitation 4500]*

**5.1. Objectives**

The programme’s ambition is to use communication and visibility actions as a tool to achieve the programme’s objective of better cooperation governance. We want to reach that objective with high community ownership of the programme. In order to do so, we set the following objectives:

1. To ensure wide awareness about the programme’s funding opportunities with applicants representing at least 90% of eligible NUTS2 regions by 2026 *(calls’ applicant’ statistics)*
2. To ensure efficient support to beneficiaries in implementing and communicating their projects, results and positive impact of the EU to their target audiences, including the general public, with at least 85% satisfaction with the programme support tools, such as seminars, tutorials, in-person/written guidance, templates *(project partners surveys)*
3. To contribute to a wide awareness about the policy learning platform services with platform services’ beneficiaries (events/helpdesk) from at least 50% of eligible NUTS2 regions by 2026 *(platform monitoring system)*
4. To increase Interreg Europe’s profile, especially towards EU institutions and the Partner States with a minimum of 100 dedicated communication actions (e.g. speakers at events, dedicated publications and events) by 2027 *(programme statistics)*

**5.2. Target audiences**

The programme’s communication and visibility actions will reach out to a large audience from the programme’s eligibility area, both geographically and thematically. We will target:

1. (Potential) beneficiaries (see 2.1.4 – Main target groups)
2. Community users (online community member – from institutions listed in 2.1.4, their stakeholders, our multipliers, general public – attracted via our communication channels to engage with the programme’s information and services)
3. Multipliers (Partner States, their points of contact, European Commission, European Parliament, Committee of the Regions, elected officials, national/transnational networks/platforms, regional Brussels’ offices in Brussels, other Interreg programmes, OECD, other relevant institutions)
4. Governance (Partner States, DG Regio, managing authority)

The general public will be engaged in actions organised online or locally, whenever relevant.

**5.3. Communication channels**

To reach our target audiences and achieve our objectives:

1. **Website**, meeting W3C criteria for accessibility, with a dedicated space for project websites ensuring their harmonised visibility, and the Policy learning platform, with an active and engaged online community
2. **Social media** (Facebook, Twitter, YouTube, LinkedIn and Instagram) for constant communication with our audiences and targeted campaigns (the mix can evolve following new IT trends)
3. **Public relations**, including formal partnerships and/or networking activities, to foster relations and build synergies with the programme’s multipliers
4. **Events** and meetings (online/ hybrid/ in-person), organised by the programme or third parties, to inform/engage/train our audiences
5. **Publications** (online/ print), and audio-visual products in support of the programme’s communication and visibility actions.

The programme will appoint a communication person to be in charge of the implementation of harmonised communication and visibility actions and to work closely with the national communication coordinator in France (as per CPR, Article 48), as well as with the Interreg representative in the INFORM EU network*.*

**5.4. Planned budget**

A total planned budget for communication and visibility purposes, from 2021 until 2029, is foreseen to be at least MEUR 2.09, which is in line with EC recommendation. Annual communication budgets will follow the programme’s developments (calls, results), allocating funds to each communication channel indicatively as follows: up to 23% website, at least 2% social media, 15% public relations, 55% events, 5% publications.

**5.5. Monitoring and evaluation**

All communication and visibility actions will be regularly evaluated by external or internal evaluators. Data for evaluation of the communication objectives will come from surveys, internal statistics, project reports, website analytics. The result indicators are defined in the four objectives above.

The programme will have a more detailed set of indicators to follow and evaluate all communication and visibility actions and improve their performance on an ongoing basis.

Evaluation of the communication strategy will be part of the overall programme’s evaluation measures.

# **6. Indication of support to small-scale projects, including small projects within small project funds**

*Reference: Article 17(3)(i), Article 24*

*Text field [7 000]*

Although this paragraph does not apply to Strand C Interreg programmes, Interreg Europe will still support smaller scale cooperation initiatives through the Policy Learning Platform and the participation of smaller scale organisations in projects (e.g. through the stakeholder groups). It will not use small project funds (as defined in Article 24 of the Regulation (EU) 2021/1059 on ETC) which are not adapted to the programme's overall objective, types of supported actions and geographical scale of project partnerships.

# **7. Implementing provisions**

## **7.1. Programme authorities**

*Reference: Article 17(6)(a)*

Table 10

|  |  |  |  |
| --- | --- | --- | --- |
| **Programme authorities**  | **Name of the institution** [255] | **Contact name** [200] | **E-mail** [200] |
| Managing authority  | Hauts-de-France Region |   |   |
| National authority (for programmes with participating third countries, if appropriate)  |  to be communicated by NO + CH with the Agreement |   |   |
| Audit authority  | Interministerial Commission for the Coordination of Controls - in France |   |   |
| Group of auditors representatives  |  *info to be collected with the agreement* |   |   |
| Body to which the payments are to be made by the Commission  | Province of East Flanders |   |   |

## **7.2. Procedure for setting up the joint secretariat**

*Reference: Article 17(6)(b)*

*Text field [3 500]*

Arrangements are already in place at the time of programme submission because implementation arrangements are kept from the 2014-2020 programming period. The joint secretariat is set up after consultation with the Partner States under the responsibility of the managing authority. The staff recruited takes into account the programme partnership; the recruitment procedures follow the principles of transparency, non-discrimination and equal opportunities. The location of the joint secretariat is in Lille, France.

The joint secretariat assists the monitoring committee and the managing authority, in carrying out their duties. It cooperates closely with the body in charge of the accounting function.

Where appropriate it also assists the audit authority. The assistance provided by the joint secretariat to the audit authority is strictly limited to administrative support, like the provision of relevant data for the drawing of the audit sample by the EC, the organisation and follow-up of the group of auditors meetings and written procedures, ensuring the communication flow between the different bodies involved (EC, audit authority, group of auditors members, external audit firm if applicable) and keeping an up-to-date list of the group of auditors members. This support does not interfere with the tasks of the audit authority as defined in Article 77 of the Regulation (EU) 2021/1060 on CPR and in Article 48 of the Regulation (EU) 2021/1059 on ETC.

The joint secretariat is funded from the technical assistance budget.

Based on Article 46(3) of Regulation (EU) 2021/1059 on ETC, the programme Partner States decided that the management verifications (“First level control” or FLC) will not be done by the MA/JS, but through the identification by each Partner State of a body or person responsible for this verification on its territory.

Should the MC decide to reimburse part of the project costs through simplified cost options in line with Articles 51 and 53 of Regulation (EU) 2021/1060 on CPR, the MC could decide on alternative FLC arrangements, which will be laid down in the management and control system description.

The JS will also provide the necessary assistance in view of the preparation of the subsequent interregional cooperation programme 2028-2034, if existing, until the new Managing Authority is designated.

## **7.3 Apportionment of liabilities among participating Member States and where applicable, the third countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission**

*Reference: Article 17(6)(c)*

*Text field [10 500]*

***Reduction and recovery of payments from beneficiaries***

The managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the project via the lead partner. Project partners shall repay the lead partner any amounts unduly paid. The managing authority shall also recover funds from the lead partner (and the lead partner from the project partner) following a termination of the subsidy contract in full or in part based on the conditions defined in the subsidy contract.

If the lead partner does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead partner or sole beneficiary, the EU Member State on whose territory the beneficiary concerned is located or, in the case of an EGTC, is registered, shall reimburse the managing authority based on Article 52 of Regulation (EU) 2021/1059 on ETC. In accordance with Article 52 of Regulation (EU) 2021/1059 on ETC, “once the Member State or third country reimbursed the managing authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law”.

Details on the recovery procedure will be included in the description of the management and control system to be established in accordance with Article 69 of Regulation (EU) 2021/1060 on common provisions.

The managing authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the participating Member States as laid down in the cooperation programme and in Article 52 of Regulation (EU) 2021/1059 on ETC.

With regard to financial corrections imposed by the Managing Authority or the Commission on the basis of Articles 103 and 104 of Regulation (EU) 2021/1060 on common provisions, financial consequences for the EU Member States are laid down in the section “liabilities and irregularities” below. Any related exchange of correspondence between the Commission and an EU Member State will be copied to the managing authority/joint secretariat. The managing authority/joint secretariat will inform the accounting body and the audit authority/group of auditors where relevant.

***Liabilities and irregularities***

The Partner State will bear liability in connection with the use of the programme ERDF, Norwegian and Swiss funding as follows:

* For project-related expenditure granted to project partners located on its territory, liability will be born individually by each Partner State.
* In case of a systemic irregularity or financial correction (decided by the programme authorities or the Commission), the EU Member State will bear the financial consequences in proportion to the relevant irregularity detected on the respective Member State territory. Where the systemic irregularity or financial correction cannot be linked to a specific EU Member State territory, the Member State shall be responsible in proportion to the ERDF contribution paid to the respective national project partners involved in the programme.
* For the technical assistance expenditure (calculated as a flat rate in accordance with Article 27 of Regulation (EU) 2021/1059 on ETC), the above liability principles applicable for project-related expenditure and systemic irregularities / financial corrections may also be applied to TA corrections as they are the direct consequence of project expenditure related corrections.

If the managing authority/joint secretariat, the accounting body, any EU Member State or Norway becomes aware of irregularities, it shall without any delay inform the liable EU Member State or Norway and the managing authority/joint secretariat. The latter will ensure the transmission of information to the liable EU-Member State or Norway (if it has not been informed yet directly), the accounting body and audit authority or group of auditors, where relevant.

In compliance with Annex XII referred to in Article 69 of Regulation (EU) 2021/1060 on common provisions, each EU Member State is responsible for reporting irregularities committed by beneficiaries located on its territory to the Commission and at the same time to the managing authority. Each EU Member State shall keep the Commission as well as the managing authority informed of any progress of related administrative and legal proceedings. The managing authority will ensure the transmission of information to the accounting body and audit authority.

If a Partner State does not comply with its duties arising from these provisions, the managing authority may suspend services to the project applicants/partners located on the territory of this Partner State. The MA will send a letter to the Partner State concerned requesting them to comply with their obligations within 3 months. If the concerned Partner State’s reply is not in line with the obligations, then the MA will propose to put this issue on the MC agenda for discussion and for decision.

# **8. Use of unit costs, lump sums, flat rates and financing not linked to costs**

*Reference: Articles 94 and 95 of Regulation (EU) 2021/1060 (CPR)*

Table 11: Use of unit costs, lump sums, flat rates and financing not linked to costs

|  |  |  |
| --- | --- | --- |
| Intended use of Articles 94 and 95  | YES  | NO  |
| From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 94 CPR (if yes, fill in Appendix 1)  |   |   |
| From the adoption programme will make Use of financing not linked to costs according to Article 95 CPR (if yes, fill in Appendix 2) |   |   |

#

## Map of the programme area

## Not applicable to Interreg C programmes

##

## Union contribution based on unit costs, lump sums and flat rates

*Article 94 Regulation ((EU) 2021/1060 (CPR)*

## Not applicable

## Union contribution based on financing not linked to costs

*Article 95 Regulation ((EU) 2021/1060 (CPR)*

Not applicable

## List of planned operations of strategic importance with a timetable – *Article 17(3).*

# Not applicable

1. *Strand A, external cross-border cooperation.*  [↑](#footnote-ref-2)
2. *Strand A, external cross-border cooperation.* [↑](#footnote-ref-3)
3. *Strand B and C*. [↑](#footnote-ref-4)
4. *Strand B and C.* [↑](#footnote-ref-5)
5. *Strand C and D.* [↑](#footnote-ref-6)
6. *ERDF,* *IPA III, NDICI or OCTP, where as single amount under Strands B and C.*

 [↑](#footnote-ref-7)