****

**INTERREG EUROPE**

**Programme Manual**

**Draft Version November 2014**

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# Introduction

To be developed

# A) PROGRAMME

# 1. Programme summary

## 1.1 What’s the issue?

The European Union works to reduce disparities in the levels of development, growth and quality of life in European regions[[1]](#footnote-1) through its [Cohesion policy](http://ec.europa.eu/regional_policy/what/future/index_en.cfm). It promotes actions to make the European territory more innovative, more sustainable, and more inclusive. This is the EU policy agenda called [EU2020 strategy](http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm).

While the large majority of the funds designated to reduce these disparities are managed nationally, the EU and member states believe that regional development can be improved through cooperation across borders.

The INTERREG EUROPE programme, financed by the [European Regional Development Fund](http://ec.europa.eu/regional_policy/sources/docoffic/official/regulation/pdf/2014/proposals/summaries/erdf/erdf_summary_en.pdf) (ERDF), is designed to support policy learning among public authorities **to improve the performance of policies and programmes for regional development**. It allows public authorities across Europe to exchange practices and ideas on the way public policies work thus finding solutions to improve their strategies for their own citizens.

## 1.2 How will it work?

The INTERREG EUROPE programme has a budget of €359 million ERDF for the 2014-2020 period.

INTERREG EUROPE will work on the following four topics, all related to regional development:

1. Research, technological development and innovation
2. Competitiveness of SMEs
3. Low carbon economy
4. Environment and resource efficiency

INTERREG EUROPE will finance two actions:

1. Cooperation projects: partnerships of public organisations coming from different countries in Europe work together for 3 to 5 years to exchange their experiences on a particular policy issue. Each region involved in the cooperation project will produce an Action Plan. This specifies what will be done in the region to ensure that the lessons learnt from the cooperation are put into action. Projects are also asked to monitor what happens to the Action Plan, to see how well the cooperation has worked.

Calls for project proposals will be launched throughout the programming period.

1. Policy Learning Platforms: a space for continuous learning where any organisation dealing with regional development policies in Europe can find solutions to improve the way they manage and implement their public policies in the four topics above.

## 1.3 Who can access funding?

Organisations based in the 28 EU member states, Norway or Switzerland are eligible for INTERREG EUROPE funding if they are:

* National, regional or local public authorities
* Institutions governed by public law (e.g. universities, regional development agencies, business support organisations)
* Private non-profit bodies.

Each country defines which institutions are eligible according to national regulations.

## 1.4 Who will benefit, in the end?

Staff and organisations involved in policy-making and implementing policy in the four topics listed above, throughout all EU regions, Norway and Switzerland can directly benefit from this programme. As a result of this, the citizens and groups impacted by those policies will benefit from improved governance or implementation.

## 1.5 What exactly will change?

Individual staff members and organisations will be better equipped to propose new policies or implement improved techniques. Institutions on regional, national and EU-level will be more effective in implementing regional policies and programmes.

## 1.6 How is this different from what existed before?

This type of cooperation has existed for around 20 years. However, new features have been introduced to make sure that the use of EU funds is more effective:

1. Selection of more focused topics: the more focused the topics, the more chances there are to have effective results
2. Mid to long-term monitoring: EU cooperation projects have been criticised in the past over the difficulty of capturing projects’ results (on policy change) after the funding of the activities has ended. Now, regional partners will be asked to spend some time monitoring the impacts of the projects on their territories. This “monitoring phase” is essential for participating regions to demonstrate the value of the cooperation and to make sure that the results of cooperation (and of the investment of EU money) are captured more systematically.
3. Policy Learning Platforms: while many European networks exist on countless topics of regional development, none has the main aim of supporting local and regional governments to be more effective when planning and implementing Structural Funds programmes. Policy Learning Platforms seek to redress this: it is a tool to allow a faster and better share of knowledge to help governments do their job better.
4. Greater emphasis on improving programmes that are part of the European Union’s Cohesion policy (i.e. Investment for Growth and Jobs and European Territorial Cooperation programmes.
5. For the first time, private non-profit bodies can benefit from INTERREG EUROPE funding, in addition to public bodies and bodies governed by public law.

# 2 General programme information

## 2.1 INTERREG EUROPE within the EU cohesion policy and within ETC programmes

Article 174 of the Treaty on the Functioning of the European Union (TFEU) calls for action by the European Union to strengthen its economic, social and territorial cohesion and promote overall harmonious development by reducing disparities between the levels of development of regions and promoting development in least favoured regions. In this framework INTERREG programmes contribute to this overall EU objective through the promotion of cross-border, transnational and interregional cooperation as well as a balanced and sustainable development of the EU territory.

Previously known as INTERREG, European Territorial Cooperation (ETC) has been part of EU Cohesion Policy since 1990. As a community initiative INTERREG I was launched for the 1989-1993 programming period with the aim to stimulate cooperation between regions in the European Union. Building on the success of the first phase, it continued as INTERREG II for the subsequent period 1994-1999. It moved on to INTERREG III for the 2000-2006 period, while INTERREG IV covered 2007-2013.

In 2007, European Territorial Cooperation was made into a Cohesion Policy objective, giving it more visibility, an improved legal basis and closer links with existing EU thematic strategies. Cooperation was seen as central to the construction of a common European space, and a cornerstone of European integration. INTERREG demonstrates clear European added value: helping to ensure that borders are not barriers, bringing Europeans closer together, helping to solve common problems, facilitating the sharing of ideas and assets, and encouraging strategic work towards common goals.

The INTERREG EUROPE programme is part of the European Territorial Cooperation goal of EU Cohesion Policy for the 2014-2020 programming period. It succeeds to the INTERREG IVC programme. Sometimes referred to as ‘interregional cooperation’, the ‘C’ strand of INTERREG differs from cross-border (strand ‘A’) and transnational cooperation (strand ‘B’) for the following main reasons:

* Geographical coverage

Interregional cooperation is the only INTERREG strand where all EU regions are eligible. In comparison, the eligible area is more restricted in cross-border cooperation which brings together a variety of border regions. Although wider, the geographical coverage of transnational cooperation is also limited. It covers specific area to promote better integration across European regions (e.g. Baltic Sea Region, Central Europe, Alpine Space).

* Rationale of the programme and territorial needs addressed

Interregional cooperation primarily addresses needs at the intra-regional level, through searching for solutions to internal problems beyond borders. Interregional cooperation aims at improving the effectiveness of regional / local policies through the exchange and transfer of experiences among EU regions regardless of their location. It can be the case of a local authority, which realises that its waste management policy does not perform as well as it should. In order to renew and improve its own strategy, this local authority can decide to build a project with other authorities in Europe facing similar issues in order to exchange and transfer their experiences in that domain.

In comparison, the other cooperation programmes primarily address cross-border or transnational needs. A certain number of issues can only be properly addressed at cross-border or transnational levels. This is for instance the case of issues related to labour markets, health, transport infrastructures, river management. Flood risk management projects provide a good example of the added-value of cross-border / transnational cooperation. A river does not stop at borders; flood management is therefore clearly an issue that cannot be tackled at the national or regional levels alone but requires intensive cooperation at the transnational level (e.g. missing infrastructures on the Meuse river in Northern France may lead to recurring flooding in the Netherlands; similarly, missing infrastructures on the Danube river in Austria can have an impact in Romania).

This specific rationale of interregional cooperation is important since it explains the following characteristics:

* The interregional cooperation programme has a particular focus on networking, exchanging and transferring experiences. The programme cannot be seen as ‘implementation oriented’ as the two other forms of cooperation. It can help in finding solutions elsewhere but not in implementing them. In compliance with the additionality principle; the interregional cooperation programme cannot substitute funding coming from local, regional or national policies. It is the role of the respective local or regional policy instruments to take over the concrete implementation of the lessons learnt from interregional cooperation.
* The programme’s rationale implies that the durability of the project’s results is considered differently than in cross-border or transnational cooperation. In these two other forms of cooperation, and because of the existence of a ‘permanent need’, it is usually important to demonstrate the durability of the project itself and of the partnership created beyond the funding period. In INTERREG EUROPE, the best way to demonstrate the durability of the results is to integrate the lessons learnt from the cooperation into relevant policies at local, regional or national levels. There is in principle no point in maintaining the project and its partnership if the initial need expressed by the regions has been answered.

To conclude, as a ‘capitalisation’ programme, INTERREG EUROPE is primarily targeted at local and regional public authorities. It focuses on the identification, analysis, dissemination and transfer of good practices and policy experiences, in order to improve the effectiveness of regional and local policies.

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| **Capitalisation**  In the context of the INTERREG EUROPE programme, capitalisation is defined as a process of collecting, analysing, disseminating and transferring good practices and policy experience in a certain domain of regional policy with the objective of optimising the results achieved by the regions in this domain. In particular, one of the expected results of this process is the transfer of the practices and experiences into the mainstream Structural Funds programmes (i.e. ‘Investment for Growth and Jobs’ and other ‘European Territorial Cooperation’ programmes) in regions wishing to improve their policies. |

## 2.2 Programme area and funding

INTERREG EUROPE covers the entire territory of the European Union with its 28 Member States, including their insular and outermost areas, as well as Norway and Switzerland. Partners from other countries can participate at their own costs.

The programme is financed by the European Regional Development Fund (ERDF). The programme total budget amounts to MEUR 359:

* MEUR 322.4 is being made available to co-finance interregional cooperation projects implemented by EU partners. Partners from Norway and Switzerland will be co-financed by national funds from their respective countries.
* EUR 15.3 million is being allocated to finance activities carried out by the policy learning platforms.

## 2.3 Programme objective and actions supported

As part of the EU Cohesion Policy, the INTERREG EUROPE programme is contributing to the Europe 2020 Strategy[[2]](#footnote-2). Europe 2020 is the EU’s growth strategy to turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion. Europe 2020 puts forward three mutually reinforcing priorities:

* Smart growth: developing an economy based on knowledge and innovation.
* Sustainable growth: promoting a more resource efficient, greener and more competitive economy.
* Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

Compared with previous programming periods, the objective of interregional cooperation is more specific since the ETC regulation[[3]](#footnote-3) stipulates explicitly that it should be dedicated to ‘reinforce the effectiveness of cohesion policy’.

Based on this objective and the needs and challenges identified in the cooperation programme, the following overall objective is defined for the INTERREG EUROPE programme:

*To improve the implementation of policies and programmes for regional development, principally of programmes under the Investment for Growth and Jobs goal and, where relevant, of programmes under the ETC goal, by promoting exchange of experience and policy learning among actors of regional relevance.*

This overall objective is itself divided into the folllwong two operational objectives:

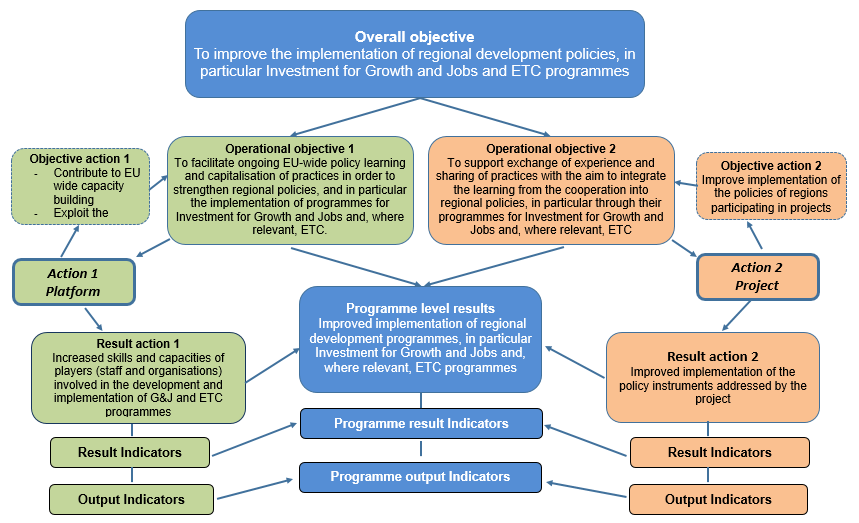
1. *To facilitate ongoing EU-wide policy learning and capitalisation of practices among actors of regional relevance in order to strengthen regional policies, and in particular the implementation of programmes for Investment for Growth and Jobs and, where relevant, ETC.*
2. *To support exchange of experience and sharing of practices among actors of regional relevance with the aim to integrate the learning from the cooperation into regional policies, in particular through their programmes for Investment for Growth and Jobs and, where relevant, ETC.*

These operational objectives at programme level are applicable to all investement priorities of the programme.

To fulfil its overall mission and meet the above operational objectives, the programme will suppor the following two actions:

1. In support of the first operational objective of **facilitating ongoing EU-wide policy learning** and capitalisation of good practices, ‘**policy learning platforms**’ are created for different thematic policy fields. These platforms are active throughout the duration of the programme, to provide on a regular basis services and support to the regions of Europe with the intention to inform and enhance the definition and implementation of their regional policies, and primarily their programmes for Growth and Jobs and ETC.
2. In support of the objective of **exchanging experience and sharing practices** to prepare their implementation in regional policies, the programme supports and fund **Interregional Cooperation Projects** among relevant partnerships of regional actors. The purpose of these projects will be to induce policy learning and to prepare the implementation of good practices in the participating regions, in particular through their respective programmes for Investment for Growth and Jobs and where relevant ETC. The experience and practices that are at the basis of the exchange can come from various sources, including various EU-programmes and projects such as for instance national or regional Structural Funds, ETC, Regions of Knowledge (RoK), CIP, LIFE+, FP7, etc.

## 2.4 Programme generic intervention logic



## 2.5 Investment priorities

### 2.5.1 Overview and general considerations

Based on the programme’s characteristics and the regulations requirements (see programme strategy in the cooperation programme), four thematic objectives and six investment priorities were selected for INTERREG EUROPE.

**Table 1 - Thematic objectives (TO) and investment priorities of INTERREG EUROPE**

| **Priority axis (TO)** | **Investment priorities** |
| --- | --- |
| 1 - Strengthening research, technological development and innovation (TO1) | 1(a) - enhancing research and innovation (R&I) infrastructure and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest. |
| 1(b) - promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies. |
| 2 - Enhancing the competitiveness of SMEs (TO2) | 3(d) - Supporting the capacity of SMEs to engage in growth in regional, national and international markets, and in innovation processes. |
| 3 - Supporting the shift towards a low-carbon economy in all sectors (TO3) | 4(e) - Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multi-modal urban mobility and mitigation relevant adaptation measures. |
| 4 - Protecting the environment and promoting resource efficiency (TO4) | 6(c) -conserving, protecting, promoting and developing natural and cultural heritage. |
| 6(g) - supporting industrial transition towards a resource-efficient economy, promoting green growth, eco-innovation and environmental performance management in the public and private sectors. |

The following considerations are also important when considering the thematic scope of the programme:

* INTERREG EUROPE acknowledges the diversity of regional needs and opportunities within the fields of the thematic objectives selected. This diversity is reflected in different accents, priorities and levels of ambition in the policies and (Growth & Jobs and ETC) programmes of each European region (even if they address the same overall thematic objective). Since the programme aims to trigger policy change and improve the implementation of (Growth & Jobs and ETC) programmes in regions across the whole EU, the investment priorities selected for the TO3, 4 and 6 are the widest in scope. They can in principle support interregional exchange and policy learning in a wide range of issues representative of the thematic scope of their corresponding thematic objective. This allows the programme to be open to a wide range of topics within each of the selected thematic objectives.
* These thematic objectives correspond mainly to the smart and sustainable growth pillars of the Europe 2020 strategy. But inclusive growth will also have a place in the programme as it can be indirectly tackled through most of the above investment priorities. For instance, under investment priority 1b, social innovation is covered. Innovation policies or business support policies can also be applied to sectors such as health or ageing population. Similarly, important issues such as employment or the Information and Communication Technologies (ICT) were not selected as Thematic Objectives. Nevertheless, they can still be covered through the current investment priorities. Employment for instance will be addressed through the support to the competitiveness of SME as well as in relation to innovation as drivers for jobs. ICT are considered as a cross-cutting theme relevant for all the selected thematic objectives, for instance as an integrated part of innovation infrastructures (TO1) or through the support to the digital economy (TO3).
* Certain topics of the investment priorities can be interconnected (e.g. eco-innovation appears under both TO1 and TO6). To decide under which investment priority a project should be submitted, applicants should refer to the primary need addressed by the project. With the example of eco-innovation, a project which is driven by the environmental consideration and whose first objective is to promote resource efficiency should be submitted under investment priority 6g. But if the project’s primary goal is the development of technological innovation and the contribution to economic growth, then it should be submitted under investment priorities 1a or 1b. The nature of the partners and stakeholders involved in the project may also indicate the most relevant Thematic Objective (e.g. environmental organisations in the first case; business support organisations in the second case). Similarly the issue of SMEs can be found under several TOs. Instrument supporting the innovation capacities of SMEs would be tackled under TO1 whereas policies more generally dedicated to SME support and entrepreneurship would be delt undet TO3.
* Regions addressing their Structural Funds programmes have to explain whether the cooperation project first within their Smart Specialisation Strategies (section B2 in the application form). This is particularly important for regions applying to the first priority axis.
* The ETC regulation specifies that INTERREG EUROPE should integrate the experiences from the Region of Knowledge programme. INTERREG EUROPE therefore encourages cooperation on cluster policies. The idea is for regions for improve their policy instruments dedicated to supporting the development of clusters in particular through the ‘triple helix’ collaboration. In relevant cases, this may also mean the development of joint measures between clusters of different regions when complementarities in terms of research or internationalisation exist. The support to cluster policies is primarily supported through investment priority 1b but, depending on the way the issue of cluster is tackled, it may also be supported under other investment priorities.

### 2.5.2 Priority axis 1: ‘Strenghtening research, technological development and innovation’

**Investment priority 1(a) – Enhancing research and innovation (R&I) infrastructure and capacities**

The first investment priority refers to regional infrastructures for research and innovation and to capacities to develop research and innovation excellence. To achieve innovation-driven growth, regional authorities and other actors of regional relevance must strengthen their innovation ‘enablers’: the infrastructures and capacities needed for research and innovation to flourish in sectors with strong innovation potential. Many EU regions identify these key sectors in Regional Innovation Strategies for Smart Specialisation. Regional policies for innovation infrastructure and capacities must target such issues as the availability of research and competence centres and ICT infrastructures, ensuring that the education system provides the qualifications needed in innovative sectors and public facilities for funding and supporting research and development activity.

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| *Examples of possible projects under investment priority 1a*   * Regional authorities and business support actors sharing experiences on public funding schemes for innovation support as key element of innovation infrastructure, resulting in action plans for the creation in each region of a revolving fund for technology innovation either as a ‘financial instrument’ in a regional Growth and Jobs programme or operated independently. * Exchange of experience among regional authorities on policies and programmes to create research facilities and set up international R&D cooperation networks in less research intensive regions, and prepare the creation of such facilities and networks through action plans. * Exchange of experience among regional development agencies to plan actions for improving the match between curricula of higher education institutes and human capital needs of businesses in their regional smart specialisation sectors. * Exchange of experience among regional actors to improve policies in support of innovation infrastructure (e.g. incubators, research centres) addressing the key societal challenges in the field of health, demographic change and well-being. |

**Investment priority 1(b) - Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation, and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies.**

The second investment priority refers to the actual delivery of innovation in regional innovation chains. Regional authorities and their innovation partners need to facilitate cooperation and joint initiatives between enterprises, R&D centres and higher education actors in key regional areas of smart specialisation and innovation opportunity. This covers measures related to the development of research-driven clusters and to support triple-helix cooperation. Creating effective ecosystems of innovation can improve technology transfer and the emergence and economic exploitation of new R&D results. Regions must develop and cultivate research-driven clusters in their main sectors of innovation potential to increase innovation-driven growth. Finally regional actors can also devise policies to trigger consumption of innovation, for instance through public procurement of innovation. In this specific priority, the cross-cutting theme of ICTs can for instance be reflected in regional policy support to innovation in digital technologies.

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| *Examples of possible projects under investment priority 1b*   * Exchange of practices among regional authorities, universities and innovation agencies to develop for each partner region facilities and methods to support knowledge transfer and strengthen opportunities for open innovation between businesses and academia in the field of green technologies within and between partner regions. * Regional innovation agencies exchanging practices on cluster development and management of life-science clusters, resulting in action plans for establishing new regional and cross-border clusters through projects under their respective regional Growth and Jobs and cross-border ETC programmes. * Cooperation among regional authorities and business support actors from regions with strong ICT/new media sectors to exchange practices and prepare action to increase intra- and interregional triple-helix cooperation helping the commercialisation of R&D results. |

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| *Target groups of investment priorities 1(a) and 1(b):*   * National, regional and local public authorities responsible for stimulating all forms of innovation (incl. technological, organisational, social innovation); * Regional innovation agencies; * Universities, knowledge and research institutes and institutes for higher education; * Operators of science and technology parks, business incubation facilities and innovation centres; * Business support actors and organisations representing SMEs and the business community * Other actors of relevance to the development of regional innovation infrastructures and capacities and to the development of regional innovation chain |

### 2.5.3 Priority axis 2: ‘Competitiveness of SMEs’

**Investment priority 3d - Supporting the capacity of SMEs to engage in growth in regional, national and international markets, and in innovation processes.**

The third investment priority relates to the creation, development and growth of small and medium sized enterprises. The potential for enterprises to create new or use existing market opportunities begins with the presence of entrepreneurial skills. Regional policies therefore need to actively support entrepreneurship development and capacity building as a building block for business creation and growth. It is equally crucial that regional authorities and business support actors respond adequately to the key challenges that obstruct businesses on their path to growth, such as access to finance (e.g. through facilities for start-up capital or guarantees) and knowledge and to international markets. Certain priority target groups of entrepreneurship policies (e.g. young people, migrants or female entrepreneurs) may also require specific support. The same relates to regional policies to support the development of social enterprises. A transparent and dependable business climate is crucial for all economic actors. Regional procedures can be made more business-friendly, e.g. related to public procurement or e-invoicing. In this specific objective the cross-cutting theme of ICTs can for instance be tackled through business support policies to the digital economy. It can also be covered though policies supporting SME adoption of ICT.

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| *Target groups of investement priotiy 3(d):*   * National, regional and local public authorities responsible for entrepreneurship and SME support; * Regional development agencies; * Business support actors, cluster organisations, other organisations representing SMEs; * Chambers of commerce and trade; * Education and vocational training actors; * Other actors of relevance to the development of regional entrepreneurship and SME competiveness.   *Examples of possible projects under investment priority 3(d)*   * Cooperation among regional authorities and business support agencies to exchange practices on the set-up and management of seed-capital facilities to support SMEs, to prepare the creation of such financial support schemes through the partners’ programmes for Investment for Growth and Jobs or other regional business support programmes. * Regional authorities and business support actors sharing experiences on awareness raising and building entrepreneurial capacities among young people and developing action plans for the introduction of young entrepreneur support schemes in their regions. * Exchange of practices about SME internationalisation and export support facilities among regional development agencies, resulting in action plans for establishing new and improving existing SME internationalisation support facilities in each region through a project under the regional Growth and Jobs programme or other regional programmes. |

### 2.5.4 Priority axis 3: ‘Low carbon economy’

**Investment Priority 4(e) - Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multi-modal urban mobility and mitigation relevant adaptation measures.**

The fourth investment priority deals with the transition to a low-carbon economy. Regional policies in this field include support actions and investments to increase levels of energy efficiency, including in public buildings and the housing sector. They also aim at raising the share of energy from renewable sources in the overall energy mix, by encouraging and facilitating production and distribution of renewables, while preventing possible adverse effects on biodiversity, landscape or water. Policies must facilitate the move to more sustainable, low-carbon alternatives for transport and mobility by introducing cleaner transport modes and systems, and by promoting alternative mobility behaviour. Another key field of action is reduction of energy consumption by businesses and households.

The introduction of ICT-based solutions can also play a key role in regional low carbon strategies, for instance in relation to reducing the need for physical mobility, increasing the energy performance of public buildings, or as a part of public awareness strategies. Integrated regional low-carbon strategies are needed to identify the most promising areas of action, mobilise stakeholders, facilitate and channel public and private investments and increase the awareness of inhabitants, business and other actors of the need for and opportunities of using low-carbon alternatives. Regional authorities can also facilitate the development of low-carbon innovations and speed up their application through green public procurement, regional pilots and investment schemes.

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| *Target groups of investment priority 4(a):*   * National, regional and local public authorities responsible for energy, mobility and other low-carbon economy related policy fields; * Regional energy agencies; * Regional development agencies; * Transport and mobility agencies; * Regional environmental agencies; * Universities, knowledge and research institutes; * Other public authorities or bodies governed by public law active in the low-carbon economy   *Examples of possible projects under investment priority 4(a)*   * Exchange of experience and good practices of regional and local authorities resulting in action plans to plan for setting up regional structures to promote and facilitate local sustainable energy generation and distribution systems in rural areas. * Regional and city authorities sharing experiences on sustainable mobility measures, resulting in action plans that prepare actions and investments to increase the use low-carbon transport options to be funded from Growth & Jobs programmes or other regional programmes. * Cooperation among regions and regional energy agencies on practices to encourage and support businesses to invest in energy-efficiency measures, resulting in the preparation of regional support programmes for energy efficiency in companies. |

### 2.5.5 Priority axis 4: ‘Environment and resources efficiency’

**Investment Priority 6(c) - Conserving, protecting, promoting and developing natural and cultural heritage**

The fifth investment priority deals with the protection, promotion and development of natural heritage, biodiversity and ecosystems as well as the support to cultural heritage. Regional actors need to protect ecosystems and vulnerable landscapes and prevent biodiversity loss and soil degradation in their territories to prevent (further) degradation of these natural assets. Sustainable management and exploitation of the natural environment can also foster sustainable regional development based on so-called ecosystem services (e.g. pollination for agriculture, or natural flood retention areas) and natural quality (e.g. tourism, regional attractiveness). A similar logic applies to the preservation and exploitation of regional cultural heritage. Preservation and exploitation strategies can incorporate ICT applications for instance to raise public awareness and ownership of natural and cultural heritage or by introducing applications or e-culture. Regional actors in management of natural and cultural heritage must define coordinated, place-based strategies and actions that balance measures of preservation with sustainable exploitation of these assets. This can include improvement of biodiversity protection schemes, sustainable use of NATURA 2000 or other protected areas, increase knowledge and awareness of actors.

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| *Target groups of investmenr ptiority 6(c)*   * National, regional and local public authorities responsible for natural and cultural heritage * Regional development agencies * Environmental agencies * Organisations responsible for management, exploitation of natural areas and/or cultural heritage * Universities, knowledge and research institutes and institutes for higher education * Actors in economic sectors with a strong impact or dependence on natural and cultural heritage (fisheries, agriculture, tourism…) * Other actors relevant to the protection and development of natural and cultural heritage   *Examples of possible projects under investment priority 6(c)*   * Exchange of practices between regional authorities and environment agencies in urbanised regions on nature management to prepare development and integration of regional green infrastructures in areas under urban pressure as part of regional (Growth and Jobs) programmes. * Regional authorities and knowledge institutes exchanging experiences on methods to assess vulnerability of regional and cross-border ecosystems, identify mitigation measures and plan their application through regional Growth & Jobs and ETC/cross-border cooperation programmes. * Exchange of experience among regional authorities and nature park management bodies on governance models for regional nature parks and NATURA 2000 areas to prepare the introduction of new management and exploitation models for their regional parks. * Exchange of experience between regional authorities and agencies on the preservation and valorisation of cultural heritage in remote and mountainous areas |

**Investment Priority 6(g) - Supporting industrial transition towards a resource-efficient economy, promoting green growth, eco-innovation and environmental performance management in the public and private sectors**

The sixth investment priority refers to the transition to a resource efficient economy based on green growth and eco-innovation and improve environmental performance management. Natural resources like metals, minerals, fuels and timber but also water, land and clean air are becoming scarcer. Making use of these resources in an efficient and conscious manner is essential to achieve sustainable growth in Europe and also brings major economic opportunities. Regional actors can enable businesses to pursue green growth and eco-innovation to develop new products and services, reduce inputs, minimise waste and improve management of resource stocks. And they can lead in the introduction of new green products and services, for instance by means of green procurement. They can also create awareness and provide incentives to businesses and households to provoke change in consumption patterns and reduce waste and emissions of pollutants to air, soil and water. The introduction of digital technologies to contribute to more efficient use of resources (green ICT) can be an important part of this. Finally, regional authorities can invest in further improving (the governance of) waste management, water treatment and recycling.

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| *Target groups of investment priority 6(g)*   * National, regional and local public authorities responsible for environmental quality and resource efficiency * Regional development agencies * Environmental agencies * Business support actors and SME/business community representatives * Universities, knowledge, research and higher education institutes * Other actors of regional relevance involved in resource efficiency   *Examples of possible projects under investment priority 6(g)*   * Regional business support actors sharing experiences on support measures and schemes to encourage manufacturing SMEs to assess their resource use and introduce more resource efficient work processes, and to prepare the introduction of these instruments through a regional Growth & Jobs programme or other programme. * Exchange of experience among regional authorities and waste management agencies on policies and measures to reduce waste volumes and increase recycling rates among small businesses and households to plan the implementation of those measures as part of regional waste management programmes. * Exchange of practices among regional and local authorities on methods for the monitoring, management and improvement of air quality in urban and industrialised areas, resulting in action plans for establishing air quality and monitoring and mitigation schemes through projects under their regional Growth and Jobs programmes. |

## 2.6 Programme management

*To be developed.*

## 2.7 General principles

### 2.7.1 Sustainable development

Sustainable development is one of the main pillars of INTERREG EUROPE. The programme supports several Priority Axes and specific objectives that focus fully on sustainable development, notably: Low-carbon economy (Priority 3/Specific Objective 3.1) and Environment and Resource efficiency (Priority 4/ Specific Objectives 4.1 and 4.2).

Under these specific objectives the programme will support interregional cooperation projects that have as their primary aim to improve the implementation of regional policies and programmes related to sustainable development issues. Projects will have to clearly demonstrate in their application that the activities they propose will make the implementation of those regional policies better, in order to eventually contribute to the sustainable development of their regions. Projects that fail to demonstrate this clear contribution to improving regional sustainable development policies will not be selected.

Also the policy learning platforms for Priorities 3 and 4 will evidently focus entirely on policy learning related to sustainable development.

The other two Priority Axes of the programme deal with R&D and Innovation (Priority 1) and Competitiveness of SMEs (Priority 2) and do not directly focus on sustainable development issues. However, it is quite likely that projects supported under those priorities also address aspects of sustainable development in their work. Therefore the applicants are invited to explain in their application how their project complies with and possibly even strengthens sustainable development. At the end of the project the partners will be asked to report how their project activities and outputs actually contributed to this horizontal principle.

However, no specific selection criteria are foreseen to favour the development of projects dealing with this issue.

The activities and thematic coverage of the policy learning platform for Priorities 1 and 2 may address relevant regional policy experiences and practices related to the principle of sustainable development.

The activities of INTERREG EUROPE are likely to generate a lot of travel which leads to related CO2 emissions. While these travels are an essential aspect of interregional cooperation activities, beneficiaries of the programme are encouraged to use when possible sustainable modes transport (e.g. train instead of plane) or modes of interaction that do not require travelling when possible.

### 2.7.2 Equal opportunities and non-discrimination

INTERREG EUROPE adopts social inclusion, which also implies equal opportunities and non-discrimination, as a cross-cutting theme, to be applied in relevant cases within the scope of the programme’s action.

The programme strives for promoting equal opportunities and preventing any discrimination based on for instance sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during its life cycle and in particular in relation to access to funding. It takes into account the needs of the various target groups at risk of such discrimination and in particular the requirements of ensuring accessibility for persons with disability.

This cross-cutting theme is most likely to emerge in projects under the specific objective dedicated to supporting SME development and entrepreneurship. Even if the primary focus of this specific objective is not on addressing the equal opportunities/non-discrimination principle, it is anticipated that certain interregional cooperation projects may emerge that focus on, or at least incorporate the equal opportunities principle (e.g. encourage diversity in terms of gender, ethnicity, religion and age). Diversity in this respect may also increase the possibilities of reaching new markets, improve market positions, broaden the recruitment base and increase creativity.

Under this specific objective Projects could for instance address the issue of promoting entrepreneurship among specific target groups at risk of discrimination (e.g. unemployed youth, elderly persons, disabled people, women, long-term unemployed and migrants). The development of such projects, among the possible applications that may come forward in the corresponding Priority Axis, would be welcomed by the programme bodies.

Similarly, equal opportunities and gender equality could be relevance under the first Thematic Objectives in particular for projects dealing with social innovation.

Project applicants are invited to explain in their application how their project complies with and possibly even strengthens equal opportunities and non-discrimination. At the end of the project the partners will be asked to report how their project activities and outputs actually contributed to this horizontal principle. However, no specific selection criteria are foreseen to favour the development of projects dealing with this issue.

Also the activities and thematic coverage of the policy learning platform for Priority 2 Competitiveness of SMEs may address relevant regional policy experiences and practices related to equal opportunities.

### 2.7.3 Equality between men and women

INTERREG EUROPE adopts the horizontal principle of gender equality as a cross-cutting theme, to be applied in relevant cases within the scope of the programme’s action.

The programme strives to promote equality between men and women throughout all stages of programme implementation, including the preparation, implementation, monitoring and evaluation of operations.

This cross-cutting theme could emerge for instance in projects under the specific objective (2.1) dedicated to supporting SME development and entrepreneurship. There is evidence indicating a positive correlation between gender equality and factors promoting economic growth. Support schemes for innovation clusters and SMEs might also have an impact on gender equality as men and women tend to be involved in different industry sectors. Under this specific objective projects could for instance address the issue of promoting female entrepreneurship. The development of such projects as part of the wider thematic scope of specific objective 2.1 would be welcomed by the programme bodies.

Project applicants are invited to explain in their application how their project complies with and possibly even strengthens gender equality. At the end of the project the partners will be asked to report how their project activities and outputs actually contributed to this horizontal principle. However, no specific selection criteria are foreseen to favour the development of projects dealing with this issue.

Also the activities and thematic coverage of the policy learning platform for Priority 2 Competitiveness of SMEs may address relevant regional policy experiences and practices related to gender equality.

The compliance with the above principles have to be explained in section C.7 of the application form.

### 2.7.4 State aid

In order to comply with the rationale of interregional cooperation as well as to ensure a smooth implementation of the programme, INTERREG EUROPE will not finance any activities falling under state aid. The state aid regulations which determine exemptions will thus not be applied.[[4]](#footnote-4)

The general objective of INTERREG EUROPE is to improve the effectiveness of regional and local policies and the programme is primarily targeted at local and regional public authorities. The knowledge gathered through such activities shall be used by the project partners to improve their local and regional policies for the benefit of the whole local/regional community. The knowledge and experience gathered by the projects is also shared and made available to others via the platforms. Moreover, the traditional kind of activities carried out by cooperation projects (e.g. site visits, interregional thematic seminars/workshops, peer-reviews, staff exchanges) are not state aid relevant.

During the quality assessment of the project proposal (see paragraph 5.4.2 Quality assessment) the JS checks if any of the proposed activities could be potentially state aid relevant. (i.e. if they meet all of the criteria listed below). Any state aid relevant activity that is part of a project proposal will be excluded in case the project is approved by the programme’s Monitoring Committee.

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| The main provisions regulating state aid control are set out in articles 107 and 108 of the Treaty on the Functioning of the European Union (TFEU). These articles generally prohibit state aid and define the rules to be followed by the Member States to grant aid that is in line with the state aid law.  In order to determine whether a public grant involves state aid, the following criteria apply:   * The beneficiary is an undertaking, i.e. an entity engaged in an economic activity * The grant confers a benefit or advantage to the beneficiary which it would not have otherwise received * The grant is selective * The grant distorts or threatens to distort competition * The grant affects trade between the Member States   Any activities fulfilling the criteria above cannot be financed under INTERREG EUROPE programme. |

# B) PLATFORMS

# 3. Policy Learning Platforms

## 3.1 Context

Policy learning platfoms are a new and challenging initiative of INTERREG EUROPE. The need to set up these was identified mainly because of:

* the demand of better exploiting the projects’ results and make their knowledge accessible and reusable for other regions,
* the importance for a programme like INTERREG EUROPE to ensure that any interested regions can be involved in and benefit from EU-wide policy learning even wihout being partner in a project.

During the INTERREG IVC period, the programme had initiated an expert-driven macro analysis and benchmarking of the projects results in different policy fields, in order to capitalise on the existing experience and allow other regions in Europe to have easy access to and learn from the thematic knowledge gathered in INTERREG IVC projects. Theme-tailored recommendations for all levels of governance were developed on the basis of the INTERREG IVC projects achievements and were disseminated to a wider audience of regional policy stakeholders in Europe. INTERREG EUROPE builds on this experience by integrating from the start an action which aim at better exploiting the projects achievements.

The experience has also shown that it is more difficult for small organisations to be involved directly in interregional cooperation projects. Often, it is the same organisations that are involved and benefit from the programme. Opening up the programme to new beneficiaries is very important in particular when considering the ambitious objective set in the regulation for interregional cooperation i.e.‘reinforce the effectiveness of cohesion policy’. Therefore, based on the good experience of the Smart Specialisation Strategy Platform run by the IPTS[[5]](#footnote-5) in Seville, INTERREG EUROPE aims at offering an on-going service open to any interested region. This service is mainly demand-driven and should ideally ensure that the programme is useful not only for those participating in projects, but also to any organisation interested or involved in improving regional policies .

In the above context, INTERREG EUROPE policy learning platforms are developed to ensure continuous EU wide policy learning and knowledge management.

## 3.2 Main features

**What is a platform?**

A policy learning platform is a service for both project partners and for all other regional policy actors around Europe to promote continuous policy learning and capitalisation of regional policy good practices. To ensure clear communication and visibility, there is one policy learning platform per Thematic Objective i.e Research & innovation , Competitiveness of SMEs, Low-carbon economy, Environment & resource efficiency (in total four platforms).

Each platform consists of:

* An international team of experts, specialised in the thematic policy fields of the programmes Investment Priorities, contracted to organise activities and provide information and support to the regions of Europe for improving the planning and implementation of their policies.
* An interactive web interface designed to facilitate networking, information sharing and knowledge management and exchange. Actors dealing with regional development policies in Europe can find information and analysis on the thematic policy fields of the programmes Investment Priorities, thematic reports and publications, as well as a database of the relevant practices and results from interregional cooperation projects. Registered users have access to practitioners and experts database and further services upon demand e.g. peer reviews for regions, thematic workshops.

The policy learning platforms are established at programme level for the duration of the seven-year period from 2015 until 2021. The platforms run their activities based on a work plan for two years renewed by decision of the monitoring committee.

**Why platform?: objectives**

In line with the overall objective of the Programme INTERREG EUROPE as defined in the Cooperation Programme, the overall objective of the policy learning platforms is to facilitate on-going EU-wide policy learning and capitalisation of practices among stakeholders of regional relevance in order to strengthen regional policies, and in particular programmes for Investment for Growth and Jobs and, where relevant, European Territorial Cooperation. More precisely the policy learning platforms aim:

*(external capitalisation)*

1. To **contribute to EU wide** **capacity building** by supporting networking and exchange of experience among relevant stakeholders related to Investment for Growth and Jobs and ETC programmes. In order to achieve this, the participation in the platform activities is open to any interested relevant organisation. The main added value is to ensure that even when a region is not involved in a project, it could still benefit from the programme’s learning and knowledge through the platform work.

*(internal capitalisation)*

1. To **exploit the results** of interregional cooperation projects and make them available to a wider audience of regional policy stakeholders across Europe. This reflects the continuity of the Thematic Programme Capitalisation, which has been initiated in INTERREG IVC.
2. o **improve the quality of the programme's content** for instance by advising the programme’s monitoring committee on the thematic orientation of the programme (e.g. by proposing key areas for thematic calls) or by advising projects on content related issues (assistance to applicants remains a core task of the joint secretariat).

**For who?: users**

The target audience of the platforms are:

* The regions and stakeholders directly involved in the management and implementation of Structural Funds programmes or of similar thematic policies in the case of Norway and Switzerland.
* Stakeholders involved as (potential) beneficiaries of Structural Funds programmes, for instance, under Thematic Objectives on Research & innovation and on Competitiveness of SMEs could be chambers of commerce, development agencies, business incubators, innovations centres and clusters, universities and knowledge institutes, while for Thematic Objectives on Low-carbon economy and on Environment & resource efficiency, could be local public authorities, environmental or energy agencies.
* Other institutional stakeholders whose competences are relevant for the topics tackled by the policy learning platforms e.g. European Commission, Committee of Regions, European Environment Agency, OECD, other EU programmes.

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| **Projects contribution**  The partners of the interregional cooperation projects are requested to be actively involved in the work of the platform by contributing to the content and sharing their knowledge and experience. For instance, each region participating in a project has to feed-in the interactive web interface with a contact person for their specific policy field and with interesting/innovative practices developed in their region in order to create a community of regional practitioners throughout Europe. |

**How to access and register?**

The online access to the platforms is though the INTERREG EUROPE website: [www.interregeurope.eu](http://www.interregeurope.eu)

In order to create an interactive community of regional stakeholders throughout Europe in each policy field covered by the platforms, interested users can create and account and register their contacts. Registration is required to access the database of practitioners and submit a request for advice or a service to the expert team.

**What kind of services?**

The platforms provide services for the whole community of regional policy stakeholders, in particular those involved in Growth and Jobs and ETC programmes across Europe.

Indicatively, the services of the Platforms can include (non-exhaustive):

* organise thematic events, workshops and meetings for the community of stakeholders and stakeholders registered in the platforms;
* organise and facilitate peer reviews between European regions in support of policy improvement and capacity building;
* follow as far as possible the developments of Structural Funds programmes and other relevant sources around Europe on topics related to the four Thematic Objectives to identify possible interesting experiences;
* analyse, benchmark and disseminate the content of the interregional cooperation projects approved under the four programme Priorities;
* produce thematic material such as newsletters, studies, policy recommendations related to regional challenges;
* advise running projects on content related issues when relevant
* answer requests for information from individual stakeholders involved in Structural Funds programmes;
* organise specific activities upon request of the Partner States e.g. targeted thematic workshops
* contribute to the INTERREG EUROPE promotion by disseminating platforms activities and results;
* advise INTERREG EUROPE programme bodies on the programme’s strategic orientation;
* cooperate with the Smart Specialisation Platform in Seville to share information and ensure complementarity of activities in particular related to Thematic Objective on Research & innovation.

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| **Project advice**  The advice to running projects has to be differentiated from the project development and monitoring ensured by the joint secretariat. The role of the platforms experts is exclusively related to content related questions, as it is important to ensure added value and synergies within the programme. For instance, if the expert has identified a particularly interesting practice in one project, this expert should pass the information to other projects that may benefit from this practice. |

**Examples of possible actions of the policy learning platforms per Thematic Objective**

*Platform on Research & innovation*

* Publication of policy recommendations for creating regional centres of competence for research and innovation based on successful experiences from different projects and Growth and Jobs programmes.
* Seminar for regional stakeholders on strengthening the role of universities in the regional innovation system.
* Peer reviews among European regions, which have similar sectors of smart specialisation to analyse and improve their regional innovation infrastructures.
* Peer reviews among European regions (involving authorities and stakeholders in their innovation chains) related to the organisation and governance of their triple helix cooperation.
* Workshop for procurement managers of regional authorities to disseminate regional practices in public procurement for innovation.

*Platform on Competitiveness of SMEs*

* Publication of recommendations for regional SME development programmes based on an analysis of successful experiences from different projects and Growth and Jobs programmes.
* Seminar for regional authorities on the design of SME-friendly policies, including design of public procurement processes and the reduction of administrative burdens and barriers to SMEs.
* Peer reviews among regional development agencies and education institutes of regional entrepreneurship development programmes in different European regions.

*Platform on Low-carbon economy*

* Creation of a web-based database of successful pilots and demonstrations of sustainable energy applications delivered with the support of Growth and Jobs and ETC programmes.
* Seminar for regional authorities and energy agencies to present regional practices in supporting the development of energy cooperatives for decentralised renewable energy generation.
* Peer reviews among regional energy agencies of regional tools and strategies for investment in renewable energy sources.

*Platform on Environment & resource efficiency*

* Creation of an online compendium of successful regional policy measures and projects for the promotion and preservation of biodiversity and nature implemented through regional programmes for investment for Growth and Jobs.
* Seminar for regional authorities and nature managers to present and disseminate regional practices for integrated coastal zone management in view of the new EU framework regulation on maritime spatial planning and integrated coastal zone management.
* Seminar for regional authorities and development agencies to present practices and methods to promote eco-management in companies, based on examples from Growth and Jobs programmes.
* Peer reviews among European metropolitan regions on their approaches to management and exploitation of cultural heritage in the built environment.
* Peer reviews among European regions to assess and improve their programmes for monitoring and managing water quality in river basins and wetlands.
* Publication of examples and recommendations of regional development policies and tools to accommodate green technology and eco-innovation based companies to locate and develop in regions, based on Growth and Jobs projects around Europe.

The policy learning platforms are established at programme level for the duration of the seven-year period from 2015 until 2021. The platforms run their activities based on a work plan for two years renewed by decision of the monitoring committee.

**Coordination with the Smart Specialisation Platform**

Based on the Innovation Union commitment text, the Institute for Prospective Technological Studies (IPTS) in Seville (Spain) developed as of 2010 a Smart Specialisation Strategy (S3) Platform aiming at assisting regions and Member States to develop, implement and review regional smart specialisation strategies so that they comply with the ex-ante conditionality imposed by the regulation.

The policy learning platform of INTERREG EUROPE programme on Thematic Objective on Research & innovation works in a collaboration with the S3 platform. The policy learning platform complements the work of the IPTS by focusing on content related issues, i.e. what is financed in the regions through the S3, while the S3 platform keeps on developing strategy/concept related aspects (e.g. the six steps of the RIS3 Guide). The policy learning platform in a way represents the "arm" of the S3 platform with regard to thematic content and its development.

# C) PROJECTS

# 4. Project development

## 4.1 Interregional Cooperation Projects: main features

What is an interregional cooperation project?

An interregional cooperation project is a project where

* partners from different countries
* work together on a shared regional policy issue
* by exchanging their experiences and sharing their practices
* in order to integrate the lessons learnt from this cooperation into their policies.

To reinforce the result oriented approach and give the learning process better chances to lead towards tangibles results, an interregional cooperation projects is designed in two phases:

* ‘Phase 1 dedicated to interregional learning and to preparing the implementation of the lessons learnt from the cooperation through the elaboration of Action Plans.
* ‘Phase 2’ dedicated to monitoring of the implementation of each action plan. When relevant, pilot actions may also be tested in this phase.

Further details on the activities of projects are provided in section 2.2.

Why an interregional cooperation project? objective and focus:

The objective of an interregional cooperation project is to improve the performance of the policy instruments of the participating regions in particular the Investment for Growth and Jobs goal programmes and, where relevant, their European Territorial Cooperation (ETC) programmes. If a partner region decides not to focus on Structural Funds programmes, the project should also contribute to a better performance of its own specific policy instrument.

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| **Structural Funds programmes** are programmes of the EU Cohesion policy that are financed by the ERDF and ESF Funds and include both the Investment for Growth and Jobs programmes and the European Territorial Cooperation programmes. |

The required focus on the Cohesion policy means that **at least half of the policy instruments addressed in a project shall be related to Structural Funds programmes**.

Projects and platforms are also interrelated. Projects are both beneficiaries and contributors of the platform. As explained in section XX, projects are therefore expected to participate in the content activities of their policy learning platform.

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| A **policy instrument** is a mean for public intervention. It refers to any policy, strategy, instrument, or law developed by public authorities and applied on the ground in order to improve a specific territorial situation. In most cases, financial means are associated with a policy instrument. But it can also sometimes refer to a legislative framework with no specific funding. In the context of INTERREG EUROPE, operational programmes of Investment for Growth and Jobs as well as Cooperation Programmes from European Territorial Cooperation are considered as policy instruments. Beyond EU cohesion policy, local, regional or national public authorities also develop their own policy instruments. |

Which duration for a project:

In total, a project can last between **3 to 5 years**:

**Phase 1** of projects lasts from **1 to 3 years**. Each project proposes a duration that matches its needs and reflects its characteristics. The time needed for the core phase depends on several factors (e.g. number of partners, experience of the partners in cooperation, specific features of the issue addressed, etc.). It is expected that a majority of projects would need a minimum of two years for phase 1. A one-year duration may also be considered for the more experienced partnerships (e.g. partners who have already worked together). In these cases, the exchange of experience would be mainly dedicated to the adaptation of the lessons learnt from previous cooperation to the relevant policy framework and in particular to the 2014-2020 Structural Funds programmes.

**Phase 2** will last **2 years**, as some impacts of the measures on the territories can usually be grasped within this time. It may arise that projects approved at a later stage of the programme may have a second phase of only one year.

Be carefull, the time dedicated to phase 2 also includes the time needed for **closing the project** (usually estimated to 3 months).

How much ERDF contribution?

The total budget and ERDF contribution of projects depends on different factors (e.g. number of partners involved, duration of phase 1). Based on the INTERREG IVC experience, it is expected that the average total ERDF budget of projects will be between **EUR 1 and 2 million**.

## 4.2 Which activities for which phase?

**Phase 1 – ‘interregional learning’**

Phase 1 is dedicated to the **exchange of experience** among project partners and preparing the implementation of the lessons learnt from the cooperation.

In order to optimise the the chance that the lessons learnt are transformed into actions, each partner region has to elaborate an **action plan** at the end of the Phase 1.

Produced by each partner region, the **action plan** is a document providing details on how the lessons learnt from the cooperation will be implemented in order to improve the policy instrument tackled within this region. It specifies the nature of the actions to be implemented, their timeframe, the players involved, the costs (if any) and funding sources (if any). If a region is represented by several partners, only one joint action plan is required.

**Phase 2 - monitoring of the action plan implementation**

In order to better capture the results of interregional cooperation, phase 2 is dedicated to monitoring the implementation of the action plans. Each partner region is responsible for monitoring the progress of its action plan implementation and to report to the lead partner. INTERREG EUROPE supports the costs incurred for this monitoring.

The activities to be carried out within the projects depend on the phases. They are further defined below.

### 4.2.1 Phase 1 – Zoom on the interregional learning process

Three types of activities are carried out during phase 1:

* exchange of experience
* communication and dissemination
* management and coordination.

#### 3.2.1.1 Exchange of experience: the heart of the interregional cooperation project

The exchange of experience among partners is an interregional learning process. It is the main catalyst for generating the expected policy change in the participating regions. The typical activities supported under interregional cooperation programmes are activities like seminars, workshops, site visits, staff exchanges, peer reviews, etc. The learning process is based on the identification, analysis and exchange of knowledge and practices in the field tackled by the project.

Interregional cooperation projects need to analyse the experiences / practices exchanged within the projects and disseminate the most interesting findings for instance by providing input into the programme good practice database. The nature of the practices can be very different depending on the project (e.g. governance approaches, methodologies, projects, techniques, etc.).

Examples of typical activities dedicated to the exchange of experience are listed below:

* interregional site visits
* interregional thematic seminars / workshops
* interregional peer-reviews
* interregional staff exchanges
* meetings with the stakeholder group
* joint thematic surveys / studies / analysis
* participation in the policy learning platform activities
* joint development of action plans

There are many ways to organise a successful learning process among partners and there is no one size fits all. The approach may depend for instance on the number of partners involved or on the nature of the topic tackled. The INTERREG IVC programme shown a variety of working methods from ‘simple working methods’ based on traditional networking activities such as thematic seminars, study visits and staff exchanges to a more ‘elaborated and differentiated’ approach based on sophisticated tools such as joint analysis, case studies, peer reviews. Both can be successful. Therefore, the programme does not impose any specific methodology. It is up to each interregional cooperation project to propose a strategy which is adapted to the needs of the participation regions and which ensures an efficient learning process among the partners.

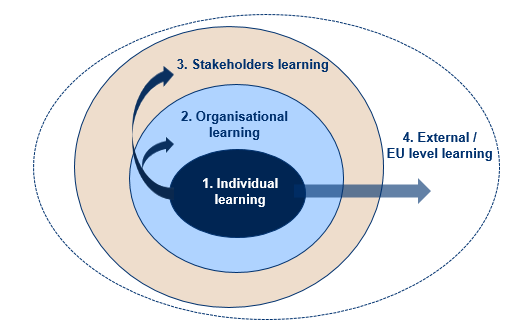
The INTERREG IVC programme has carried out a study[[6]](#footnote-6) to better understand the interregional learning process and to provide recommendations based on the following elements:

* Level of learning
* Stakeholder group
* Quality of the activities carried out
* Integrated approach
* Role of experts

**Levels of learning: combination of four levels of learning**

The process of policy learning which is the key driver for achieving policy change needs to occur at different levels.

*Four levels of learning*



*Level 1: Individual learning*

The first level of learning refers to the staff members of the partner organisations who have increased their capacity by being directly involved in all the activities of the interregional cooperation project. This level of learning is the most obvious and the easiest to achieve. Nevertheless, the increased capacity of a few individuals in a partner organisation is not sufficient to ensure that results will be achieved in the partner region.

*Level 2: Organisational learning*

The second level deals with the organisational or institutional learning. It occurs when the new knowledge does not remain at the level of individuals only but is also passed on within the organisations these individuals are working for. The organisation learning increases the chance that the learning gained from the cooperation will have impact in the partner regions. Projects have different means to ensure organisational learning. This can be carried out through internal reporting meetings where the staff members directly involved in the cooperation report back to the relevant colleagues, managers, elected members of the organisation. These relevant people can also be directly involved in the interregional exchange of experience activities when needed.

*Level 3: Stakeholders learning*

The third level refers the stakeholders learning. Usually the policy making process at regional level involves a wide range of players and it is rare that one single organisation can decide alone on policy issues. This third level of learning refers to the players in the partner regions involved in the policy making process and implementation. To optimise the impact of the interregional learning and to make sure the activities of the action plan will be later on implemented, these players need also to be part of the interregional learning process.

*Level 4: External learning*

The fourth level refers to learning beyond the partner regions. It is certainly the most challenging aspect of the learning but it is also less crucial for the projects since it does not impact directly the policy change in the participating regions. Nevertheless, in a capitalisation programme like INTERREG EUROPE, it is important that the lessons learnt at project level are also exploited at programme level in order to benefit other public authorities in Europe. The communication strategy of each project partly contributes to this external learning. The new policy learning platforms should also play on important role in this regards thanks to the projects contributions.

When designing the project methodology to carry out the interregional exchange of experience, partners should pay particular attention to this multidimensional aspect of the learning process. To maximise the project potential impact, the learning process should be initiated at the different levels. Partners should understand how the exchange of experience process can directly influence the policy frameworks of the participating regions. Learning at the individual level alone is not sufficient to achieve policy change. Instead, learning outcomes need to be effectively transferred and integrated into the participating organisations and relevant stakeholders. This is the rationale behind the creation of **stakeholder group** in each participating region. Further information on the stakeholder groups is provided in section 4.4.1.

**Quality and nature of the activities carried out**

Obviously, the good quality of the activities dedicated to the exchange of experience is a condition to an efficient learning process. These activities need to be properly prepared, organised and followed-up.

For the preparation, all information needed for the activities has to be made available in advance. In particular, the objectives and agenda of each activity need to be clear and shared with the participating partners. If needed, partners can also be asked to send their contributions before the activity takes place.

For the implementation, the organisers have to ensure a proper management of the activity. The quality of a moderator is for instance important for the success of a thematic workshop. Issues such as languages or intercultural context have also to be taken into consideration. Depending on the activities, innovative techniques can be used to ensure their interactivity and the involvement of all participants in the exchange of experience.

The activities also have to be followed-up. Usually a report summarising the main outcomes is produced. The evaluation of each activity (through a simple satisfaction questionnaire) can also help in improving future activities.

The choice of the activities to be organised is also important. One does not achived the same objective with a staff exchange and with a thematic workshop. The choice of the right activities at the right moment is therefore important and should be carefuly thought through during the preparation of the project.

**Integrated approach**

The quality of each individual activity is not sufficient to ensure a successful learning process. An integrated approach where all activities are logically interlinked is also needed. Successful approaches usually follow a logical path. The most classical approach is to start with the analysis of the different partner situation and the identification of valuable experiences and practices. This valuable experience is then further investigated through activities such as study visits and thematic workshops. Finally, the transfer of knowledge and practices is mainly prepared through the elaboration of the action plans (but can also occur during the exchange of experience phase of the project).

It is therefore the coherence, continuity and good interrelation between the activities that also contribute to a successful learning process.

**Exchange of experience processes: examples of interesting approaches from INTERREG IVC projects**

**SEE – well organised thematic interregional workshops**

The SEE project realised five well-organised thematic interregional workshops, each of them including guest speakers and an exchange on design programme practices as well as interactive sessions with partners and policy-makers. All workshops were characterised by a clearly goal-oriented working style and involved presentations, panel discussions, interactive joint in-depth work in smaller group settings (creative sessions, brainstorming session etc), scenario-building and mapping exercises. Following each thematic workshop, a publication was issued which extensively summarised the workshop outcomes and also embedded those in a wider policy-context (i.e. the “SEE Policy Booklets”).

**CLIQ – a successful combination of a round-table discussion & study visit**

Under CLIQ, the Cadiz Foundation for Economic Development, Spain, organised an interregional round table in combination with a study visit in November 2010 which dealt with the integration of the civil society in the innovation system. The round table started with an introduction of the regional tools for promoting innovation, and the presentation of the present situation and forecast of Andalusia. This was followed by a detailed outline of the Andalusian research and innovation capacity under inclusion of the academic and enterprise sector. On basis of a general understanding created by the theoretical and regional introductions the round table discussed how to integrate the civil society in the regional innovation system. The study visit of the following day was organised around the technologies and economic sectors included in the first day’s round table activities. The round table’s success was particularly nurtured by the small size of the group and an excellent theoretical presentation of social media, which supported a common understanding

**DART – a specific approach for good practice selection**

One principal objective of DART was the development of policy recommendations relevant for any European region facing ageing and shrinking. In order to select good practice experiences from the partner regions, which are suitable for transfer, the project applied a specific methodology. Out of the 89 collected good practices the project team selected 26 as most ‘worthwhile’ for transfer. The methodological approach was as follows:

* Each participating region could suggest up to three good practices for each thematic field. The partners had to describe the project in a formalised way. On a general level, this contained information concerning the objectives, the background and regional needs, the process of the practical implementation. This was complemented by some formal issues (location, time period, involved organisations, target group, activities), main results regarding the beneficiaries, success factors, lessons learned and main difficulties encountered as well as some information on possible exploitation of the practice (used media, extent of transferability, standards and use of indicators).
* The good practices were presented at the workshop. In an evaluation coffee break all participating people (project team and experts/guests) received six stickers (six because of six best good practices were to be chosen for a presentation at the thematic conference) to vote for the best good practices. They could vote for six different projects (not from their own region) or cumulate stickers on fewer good projects. The assessment was to be based on a checklist, which among others included the questions regarding fairness in terms of generation and gender, the degree of transferability to other regions, the degree of newly developed standards and the degree of indicator use and development.

**GRaBS - a successful combination of networking activities**

Under GRaBS, the mixture of methods and the combination of activities for the exchange of experiences was considered as extremely useful, despite the complicated topic and the diversity of partner organisations and expertise. Thematic Seminars were linked to study visits where guest speakers, decision-makers in policy and also community representatives participated. Study Visits targeted good practice case studies, located within and outside the partnership in order to illustrate the scale of the issue addressed by the project (i.e. development/regeneration required) and the solutions offered through the project. Each site visit was supported by thematic Expert Papers and documentation. Based on the Seminars and Study Visits, there were published 7 Expert Papers (engaging known experts in the field). In addition, 4 Mentoring Partnerships were formed to support the partners with less experience and to guarantee a balanced process of exchanging experiences and to promote the transfer of adequate good practices.

**CLUSNET – an exchange of experience process based on local case studies**

CLUSNET applied a strong methodological approach which was developed by the partner responsible for the exchange of experience process (Stockholm School of Economics). The “Cluster Initiative Performance Model” (CIPM) facilitated and disciplined the exchange of experiences and offered a theoretical background that allowed each partner to better understand the characteristics and potentials of the different cluster models presented. This individual cluster analysis was supported by two reports. A first analysis available to all partners was drafted by the case study city (pre-report) as a first analytical introduction to the visited cluster. During the seminar in this city, a study visit related to the case study was organised, followed by a policy analysis at which the conclusions were discussed with all partners and relevant key decision makers. After each event, concrete policy recommendations for the case study were summarised in a seminar report.

**MORE4NRG – Use of peer reviews**

Under MORE4NRG, Peer-Reviewing was used as the key method for realising the exchange of experiences. The central element in the exchange process of MORE4NRG was the application of a formal peer review methodology. During a series of 5 peer reviews, multinational teams of regional experts from more experienced partners visited a less experienced host-region to review its regional energy strategy. The Peer Review processes consisted of a preparation phase by questionnaire, a 4-day study visits during which the visiting experts met regional energy stakeholders and made relevant site visits and review report with recommendations. Each host region then used the recommendations in the review report to prepare the action plan for their implementation. The peer review methodology was regarded as very useful by the project partners and also facilitated the exchange of experience. An asset was also the possibility to adapt expert advice to the specific situation of a region, which also represented an added value to the ordinary exchange process based on seminars, shorter visits and reports. All the experiences and lessons from the previous stages of the project were also exchanged during a mutual learning seminar, to ensure full knowledge transfer between all partners.

**Role of experts**

There is no obligation to involve experts in the exchange of experience process but external assistance can contribute to professionalising this process (e.g. proposing working methods). External input may also be needed to go deeper into certain aspects of the topic tackled by the project or to help partners that are less experienced in the joint working process.

The cooperation should however not be driven by external experts and a successful learning process requires a strong and direct commitment from the partner regions themselves.

#### 3.2.1.2 Communication and dissemination

The second type of activities is dedicated communication. Each project has to develop a communication strategy, covering both internal and external communication. The communication strategy is an integral part of the overall project strategy therefore planned communication activities have to contribute to achieving the overall project objective.

While each project's communication activities will depend on its specific strategy, some examples of communication and dissemination activities are:

* Developing the project website and online presence
* Organising public conferences, e.g. launch conference, results presentations
* Disseminating joint leaflets / brochures / newsletters
* Organising political briefings in presence of media
* Disseminating project outputs (good practice guides, policy recommendations)

Section XXfully develops the expectations for project communication and provides further details necessary for completing the application form.

#### 3.2.1.3 Management and coordination

The third type of activities is dedicated to management and coordination tasks. They relate to the administrative, legal and financial activities which are necessary to run an INTERREG EUROPE project.

Examples of typical activities dedicated to management and coordination are listed below:

* Elaboration and conclusion of partnership agreement
* Preparation, submission and follow-up of progress reports
* Organisation of project’s steering group meetings
* Monitoring and controlling the incurred expenditure

**Strategic level**

Each project has to determine the necessary procedures for decision-making and coordination within their consortium. In particular, a body (steering group) in charge of the strategic monitoring of the project has to be constituted. Adequate representation of the partners involved should be ensured when establishing the decision-making process and monitoring mechanisms. Ideally, the steering group should be composed of representatives from all of the partners and should meet at least twice a year during phase 1. In phase 2, the annual partners meeting should be enough for ensuring the strategic monitoring of the project. The tasks of the steering group would normally include monitoring of the project and provision of guidance regarding its implementation, for example, reviewing and approving work plans and reports, agreeing on possible changes to the project.

The steering group usually sets up and implements a monitoring and evaluation system in order to carry out its tasks. The progress towards the achievement of the project’s objectives is assessed mainly through the output and result indicators. The monitoring system can also cover the following issues:

* Effectiveness and efficiency of implementation: Is the project progress in line with the initial time plan presented in the application form? Is the budget plan being implemented and are allocations per budget categories being observed? How do the project’s achievements relate to the encountered expenditure (costs-benefits)?
* Quality of the management and coordination: Are management and coordination procedures efficient and are the resources used in this process sufficient?

**Day-to-day management**

In addition to the steering group, other coordination bodies (e.g. task forces, advisory groups) may be established to coordinate the day-to-day running of the project, to fulfil specific tasks or to carry out certain activities. It is however recommended that the coordination and management procedures remain as transparent and simple as possible.

In order to ensure a proper implementation of the project, the lead partner should set up an efficient and reliable management and co-ordination system. For this purpose each project should appoint or sub-contract the following positions for project management:

* a project coordinator

The coordinator is responsible for the organisation of the project’s work. The coordinator should be qualified in European project management as well as in the topic tackled by the project. The coordinator should be able to act as a driving force in the partnership and to mobilise the partners in order to achieve the objectives laid down in the application within the specified deadlines.

* a financial manager

The financial manager is responsible for the accounts, financial reporting, the internal handling of ERDF funds and national financing. The financial manager should work in close contact with the coordinator, the controllers and the partners in order to enable efficient financial management of the project. The financial manager should be familiar with accounting rules, international transactions, EU and national legislation for the management of ERDF, public procurement and financial control.

* a communication manager

The communication officer is responsible for the proper implementation of the project communication strategy. This person ensures that the strategy is agreed to by all partners, including task allocation and timings and is the one responsible for reviewing periodically whether the strategy is reaching its objectives. Whether the role is outsourced to a communication professional or not, the communication manager should be familiar with the basic principles of developing a communication strategy along with the variety of techniques available to reach different audiences. S/he works hand in hand with the project coordinator to deliver project results.

The person(s) in charge of the above positions must be fluent in English which is used for all communications with the joint secretariat and other bodies involved in programme management.

### 4.2.2 Phase 2 - monitoring of the action plan implementation

Phase 2 is dedicated to monitoring the action plan implementation.

**Monitoring** means regularly checking to which extent the measures described in the action plans are finally implemented on the ground, evaluating the results of these measures and gathering evidence of success to be reported to the programme.

Due to its particular focus, phase 2 has a more local/regional character. But interregional cooperation remains important for the following reasons:

* Partners should continue learning from each other during the implementation phase of the action plans. They can exchange and build on the success achieved or on the difficulties encountered.
* Certain measures of the action plan in one region may require the expertise of another region. In particular, when the measure relates to a transfer of a particular experience developed in one region, the ‘importing’ region may need the advice of the ‘exporting’ region on the best way to adapt the experience to its own context.
* In order to ensure proper project management and monitoring of the different action plans, the partnership needs to remain active and the lead partner’s role will be to consolidate the information received from the different partners.

**Predefined activities**

There are also three types of activities to be carried out under phase 2 but, compared with phase 1, these activities are fully pre-defined by the programme. During the two years of phase 2, projects need to organise the following activities:

*The monitoring of the action plan implementation*

* Maintain contacts in each region with the stakeholders involved in implementation of the activities in order to monitor the progress made;
* Organisation of one project meeting at the end of each year (i.e. 2 in total) to exchange on the way the implementation is progressing

*Communication and dissemination*

* Regular updates of the project website providing information on the progress made in the implementation of the different action plans
* Organisation of a final public dissemination event gathering executives and policy makers from the regions and from other relevant institutions

*Management and coordination*

* Preparation, submission and follow-up of progress reports
* Monitoring and controlling the incurred expenditure
* Project closure activities

At the application stage, the work plan for phase 2 is already pre-defined. Applicants just have to estimate the budget for carrying out the above pre-defined activities. But obviously, the final features of phase 2 will depend on the level of success of phase 1. For instance, if one participating region failed in elaborating its action plan, its involvement in phase 2 would be limited. Before the end of phase 1, there would be an opportunity for the project to review, if needed, phase 2 activities through a request for changes procedure.

**Pilot actions**

The implementation of action plans can take various forms depending on the issue tackled by the project and territorial characteristics of the partner region.

Certain measures contributing to the improvement of policies do not require specific additional funding (e.g. no-cost / low cost action in the Result Based Accountability approach). And when funding is required for other measures, it should come from the relevant local, regional and / or national funds.

The only exception is related to pilot actions that INTERREG EUROPE may support in justified cases. To propose pilot actions, a project has to submit a revised application through a request for change procedure before the end of phase 1, justifying the reasons why programme funding is required for implementation. Approval is then required by the programme’s monitoring committee and a revised subsidy contract would be issued.

**Pilot actions** are implementation-related activities dedicated to testing a new approach. This usually refers to the transfer of existing practices between partner regions. But it can sometimes also relate to a new initiative jointly designed by the partner regions during phase 1 and jointly implemented in phase 2.

To be eligible to the programme, pilot actions have need to fulfil the following three conditions which apply to any activities proposed within INTERREG EUROPE:

* Relevance

The pilot action needs to clearly contribute to the policy instrument tackled in the partner region where it is proposed. As such, it should be part of the action plan of this partner region.

* Interregionality

The pilot action needs to clearly derive from the cooperation. Usually it allows a partner to test in its region an approach that has been developed in another region. Pilot actions need to be clearly related to the interregional learning process.

* Additionality

The pilot actions have to represent additional activities that would not be carried out without the support of the INTERREG EUROPE programme. The partner region proposing a pilot action should therefore demonstrate the reason why this action cannot be taken over by the relevant local, regional or national funds.

***Costs financed per phase***

|  |  |  |
| --- | --- | --- |
|  | **Financed by** | |
|  | **INTERREG EUROPE** | **Other sources of funding** |
| **Phase 1** | Staff, administration, travel & accommodation, external expertise, equipment:   * Interregional learning activities (e.g. study visits, workshop, seminars, peer review, staff exchanges) * Possible studies (e.g. SWOT analysis, case studies) * Elaboration of action plans * Elaboration of policy recommendations * Communication activities * Management activities | Any possible costs related to the implementation of the lessons learnt from the cooperation in the partner region (results can be achieved before the finalisation of the action plans) |
| **Phase 2** | Staff, administration, travel & accommodation, external expertise, *equipment (in case of pilot actions)* related to:   * Monitoring of action plan implementation * Interregional learning activities to support the implementation of action plans * Communication activities * Management activities including closure activities * *pilot actions (in justified cases)* | All costs related to the implementation of the action plans *(with the exception of possible pilot actions financed by INTERREG EUROPE)* |

### 4.2.3 Service to projects and activities at programme level

Lead partners of approved projects are regularly invited to contribute to a certain number of events and activities organised at programme level. For instance, the programme provides the following services to help project implementation:

* lead partner seminars (organised shortly after the approval to brief the lead partners on the programme main features and requirements),
* finance seminars,
* communication seminars,

The contribution of projects is also required in other programme activities such as:

* policy learning platforms developments,
* programme annual events and preparation of communication materials.

The participation of projects in these programme activities is important. Applicants should therefore be aware of these activities when preparing an application and in particular when elaborating the budget. In particular, lead partners would be expected to participate in an average of three events per year at programme level throughout the lifetime of the project. Further information can also be found in section XX.

## 4.3. Monitoring projects results and activities: demonstrate your success

The intervention logic (see section XX) and indicator system developed for INTERREG EUROPE takes into consideration the result oriented approach promoted by the European Commission for the 2014-2020 cohesion policy[[7]](#footnote-7). It also partly builds on the Result Based Accountability (RBA) approach[[8]](#footnote-8).

Capturing the results of interregional cooperation projects is an important and challenging task. It is important because, during the implementation of the programme, the usefulness and efficiency of interregional cooperation has to be clearly demonstrated. It is also challenging since, compared to other programmes which are implementation oriented, the achievements of interregional cooperation can be less tangible. This is the reason why a phase 2 was introduced in the projects.

Thanks to the phase 2, it will be possible to measure some of the concrete results on the territories of the participating regions, when the measures inspired by the project are finally implemented. **Nevertheless, projects should not wait for phase 2 to improve their policy instruments.** **The experience gained for past interregional cooperation programmes has shown that a lot of results are achieved already during the learning phase.**

As explained in section XX, one action plan per policy instrument addressed has to be produced at the end of phase 1. The programme will seek detailed explanations if an action plan is not produced in the end. Failure to sufficiently explain the lack of action plan may result in project costs being recovered by the programme.

The implementation of the action plan is under the responsibility of each partner region. The progress in implementing the action plan is reported back to the programme under phase 2 of the project with explanations if the action plan cannot be partly or fully implemented. But the non-implementation of an action plan will not bring into question the eligibility of costs related to INTERREG EUROPE.

### 4.3.1 Improving policy instruments / Structural Funds programmes

In terms of results, cooperation can influence policy instruments in various ways. Based on the INTERREG IVC experiences, this improvement can occur at different levels which can sometimes be interconnected:

**Level 1: implementation of new projects**

The level 1 implies that the policy instrument provides funding as it is the case with Structural Funds programmes. Thanks to interregional cooperation, managing authorities and other relevant bodies can find inspiration in other regions and import new projects to be financed within their programmes. This type of impact requires the availability of funding in the programme.

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| **Examples from INTERREG IVC**  In the EVITA project, the Latvian Information and Communication Technology Association (LIKTA) represents more than 200 organisations and professionals from the ICT industry, research and educational institutions. It implements many national and international projects for training entrepreneurs on ICT and e-business skills. Within EVITA, LIKTA has performed the pilot transfer of two EVITA initiatives: 2Bdigital (from Catalonia Company Support Agency, partner 12, ES) and Go-Online (from GRNET, lead partner, EL), by fully implementing their methodologies in two training seminars on digital marketing issues. These seminars were attended by 50 companies in total. LIKTA has fully adopted the two methodologies and will adopt the developed e-business training materials for further submission of ERDF projects proposals for training Latvian companies on IT and e-business.  In the WF project, the good practice developed by the Province of Ferrara (partner 10, IT) on innovative touristic promotion has served as a basis in the development of the ERDF project called in Finnish ““Matkailuelämykset euroiksi Saimaalla” and dedicated to the promotion of lake tourism in Savonlinna region (partner 8, FI). The idea is to generate industry tourism revenues by providing experiences and services for visiting tourists. The project implementation with a budget of EUR 800,000 started in December 2011 and ended on 31 December 2013, aiming to implement international electronic marketing and distribution channels for the lake tourism products of the region.  The Region Bretagne (France) participated in the ERIK ACTION project, with the aim of improving its SME competitiveness and innovation policy. Inspired by two partners’ experiences (Lower Austria, AT and Tuscany, IT), the region financed two new initiatives within its operational programme: one measure to offer coaching and training in innovation for SMEs, and one measure to include the concept of Corporate Social Responsibility in businesses, both financed by ERDF.. |

**Level 2: change in the management of the policy instrument**

Interregional cooperation can also influence the way policy instruments are managed. New approaches can be adopted thanks to the lessons learnt from other regions. For instance, a new methodology for monitoring or evaluating a measure can be developed within the policy instrument. A managing authority or any other relevant bodies can also improve the way thematic calls are organised or the way projects are selected. The governance of the programme may also refer to the way environmental issues are integrated in the different measures of the operational programmes.

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| **Example from INTERREG IVC**  In the SCINNOPOLI project, and based on the experience of four regions (Flanders, BE; Provence Alpes Côte d’Azur, FR; Bretagne, FR and Navarra, ES), Lower Austria (AT) improved the evaluation of its innovation measures financed within the ERDF Competiveness programme. A revised indicator system allowed the authorities responsible for innovation policy to measure if targets were being reached and to identify trends in a simple way. As a direct result of the lessons learnt in SCINNOPOLI, Lower Austria harmonised the ex-post questionnaires for all its regional funding schemes on innovation. |

**Level 3: change in the strategic focus of the policy instrument**

The third level is the most challenging since it requires a change in the operational programme. To integrate the lessons learnt from the cooperation, some managing authorities can modify existing measures or even create new measures in their programme.

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| **Examples from INTERREG IVC**  In ESF6CIA, the Bulgarian Ministry of Labour and Social Policy modified the specification of its ESF ‘Development’ programme. This programme was initially designed to tackle only unemployment after mass redundancies in enterprises. The foreseen budget was EUR 75 million. Thanks to the lessons learnt within the project, the programme was updated and it included preferential treatment to people aged over 50.  In ERIK ACTION, the Fabrica Ethica practice from Tuscany Region (IT) has also led to a structural evolution in the Bretagne region (FR). Thanks to this first experience and the long-standing willingness of the Regional Council to develop ‘social innovation’ expertise on the territory, a specific team in charge of developing a strategy on social innovation and Corporate Social Responsibility has been created within Bretagne Development Innovation. This strategy will be fully integrated in the future Smart Specialisation Strategies of the region called ‘Regional Strategy for Development and Innovation’ (Stratégie Régionale de Développment et d’Innovation, SRDEI).  Similarly, the Innovation Assistance was first imported from Lower Austria as an initiative called ‘Innov’acteur’. This initiative was so successful that it has become a core programme of the Regional Innovation Strategy called ‘SIDE’ ([www.bdi.fr/notre-action/programmes](http://www.bdi.fr/notre-action/programmes)). This programme is managed by Bretagne Développement Innovation (merging of Bretagne Innovation and the Regional Development agency in 2011). It is developed within the Regional Innovation Network (150 business advisers from more than 40 entities) and is the backbone of the regional innovation system in Bretagne. It is co-financed by ERDF via the Regional operational programme.  In the RAPIDE project, the region of Saxony-Anhalt in Germany directly profited from the interregional trainings on Innovation Vouchers. International experts shared with all interested RAPIDE regions their experience on Innovation Vouchers and their experience of using ERDF funds for such a scheme. Directly deriving from that exchange, Saxony-Anhalt decided to adopt a new funding guideline (reference ‘MW-03-10’) on grant support to projects in the field of innovation and R&D.  Another interesting example of policy improvement is provided by the Prešov Self-Governing Region (SK). Further to the lessons learnt within RAPIDE, this region requested funding for the regional Innovation Voucher Scheme from the operational programme on Competitiveness and Economic Growth, Priority 1.1, Axis 1 ‘Innovation and Growth Competitiveness’, Measure 1.3 ‘Support for innovation activities in enterprises’. The responsible body, the Ministry for Economy in Bratislava, agreed in principle but there was the need for a slight change in the national legislation on public funding to enable the Innovation Voucher scheme to be supported in Slovakia. |

### 4.3.2 Result and output indicators (section C.6 of the application form)

The **results** are direct effects resulting from the project and from the production of the outputs. They represent what is intended to be changed by the project. The production of outputs such as organisation of interregional events, the identification and dissemination of good practices, the production of policy recommendations are only means to achieve the results of the project. Compared to the outputs, they imply a qualitative value, an improvement compared with an initial situation. They also have to be measured in physical units such as the number of policy instrument influenced.

The **outputs** are the tangible deliverables of the project which contribute to the results. Theyare directly deriving from the activities carried out in the project. They do not lead to a qualitative judgment on the project’s results. In other words, it is not because the project organises a high number of workshops (output) that it will necessarily be successful. Outputs are typically measured in physical units such as the number of seminars, site visits, conferences, participants, publications, good practices identified, or policies addressed.

In order to monitor the achievements of interregional cooperation projects, two kind of indicators are used:

**a/ Pre-defined indicators at programme level**

In order to ensure consistency in the programme’s evaluation, each project is requested to fill in a certain number of pre-defined result and output indicators. These indicators are included in the application form and applicants have to estimate their target value. The approach proposed by each project has to be realistic and it is therefore recommended not to overestimate the target values of these indicators.

Result Indicators

* *Number (#) of Growth & Jobs and/or ETC programmes where measures inspired by the cooperation were implemented in the field tackled by the project.*
* *Number (#) of other policy instruments where measures inspired by the cooperation were implemented in the filed tackled by the project*

The above two indicators measure the number of policy changes resulting from INTERREG EUROPE projects. The first one is related to Structural Funds programmes and measures the number of Operational Programmes or Cooperation programmes that are influenced (see section 3.1) thanks to the project. The second one relates to any other policy instruments where influence from the project can be reported. In both cases, the result indicator can be completed only if a concrete change has taken place (e.g. new project funded, new measure introduced) and if this change can be fully or at least partly attributed to the project. The target figure shall not exceed the number of policies addressed indicated in section B.2 of the application form .This indicator will be automatically calculated as a percentage in section C.6.2 of the application (i.e. out of the total number of policies addressed, which percentage will be influenced by the project?).

* *Amount (EUR) of Structural Funds (from Growth & Jobs and/ or ETC) influenced by the project in the field tackled by the project*
* *Amount (EUR) of other funds influenced by the project in the field tackled by the project*

The above two indicators estimate the financial impact (if any) of the policy changes reported under the previous indicators. They measure in euros the amount that was directly influenced by the change introduced thanks to the project (e.g. amounf of funding dedicated to a new project, amount of funding allocated to a new measure). In reality, this financial impact may be difficult to estimate. Some policy changes also do not require any financial means (in particular those related to the change in the management of the policy instrument as described in section 3.3.1).

Output indicators

* *No (#) of policy instrument addressed*

This indicator appears in a different section of the application form (section B.2). This indicators is crucial since it refers to the policy instuments the partners want to improve by applying to INTERREG EUROPE. These instruments can be related to Structural Funds programmes (at least for half of them) or to any other regional development programmes relevant for the topic tackled by the project. Even if a regional development issue like innovation or entreprenerusip or low carbon economy is usually tackled by several policy instruments, partners need to identify the main instrument they will focus on during the cooperation.

* *No (#) of policy learning events organised*

This indicator measures the total number of interregional events organised by the project with the specific aim of exhanging / transferring experiences among partners. The word “event” should be taken in a broad sense as it covers diverse activities such as workshops, seminars, study trips, staff echanges, peer reviews, stakeholder group meetings.

* *No (#) of good practices identified*

This indicator measures the number of good practices identified during the exchange of experience process. In principle, only practices that have been carefully analysed and validated as valuable within the project should be considered under this indicator. They should also primarily be located in the partnership area.

* *No (#) of action plans developed*

This indicator relates to the core output of phase 1. It measures the total number of action plans developed within the project. In principle, one action plan should be produced per policy instrument addressed (and per participating region). Therefore, the target value indicated for this indicator should in theory be identical to the number of policies addressed and regions represented in the project.

* *No (#) of people with increased professional capacity due to their participation in interregional cooperation activities in the field tackled by the project*

This indicator measures the number of people whose thematic competence has increased thanks to interregional learning. Only the persons actively involved in the exchange of experience process (e.g. staff members of the partners, active member of the stakeholder group). should be considered under this indicator and not a person occasionaly participating in the project activities.

* *No. (#) of new visitors to project website since last reporting period*

This indicator measures the evolution of project website’s frequentation from one reporting period to another. The target value is not easy to defined but applicants have to give an estimation. Since the projects website is hosted on the programmes website, the figure for this indicator will be obtained though the programme website’s statistics.

* *No (#) of appearances in media (e.g. press)*

This indicator estimates the media coverage of the project (i.e. project appearances in press, radio, television, news sites, etc.). The appearance of the project in the partners’ website and publication should not be counted under this indicator.

**b/ Self-defined indicators**

For each policy instrument addressed by the project, an indicator[[9]](#footnote-9) has to be defined to monitor the performance of this instrument and therefore to assess throughout phase 2 whether it has been improved thanks to interregional cooperation. By essence, this indicator is specific to each policy instrument.

Since policy instruments usually have their own monitoring system, the indicator may simply be extracted from the existing system. It measures the percentage of beneficiaries from the policy instrument that are better off thanks to this instrument. Like for any other indicators, this indicator has to be meaningful and measurable.

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| **Example of sef-defined indicators**   * For a policy instrument promoting the innovation capacity of SMEs: % of SMEs benefiting from the instrument who have developed new patents * For a policy instrument helping internationalisation of SMEs: % of SMEs benefiting from the instrument who have increased their export turnover * For a policy instrument supporting energy efficiency in public buildings: % of public buildings refurbished that have an increased energy performance |

At the end of phase 2, each partner region will also have to report more generally on the territorial context to see whether the situation has improved compared with the context described at the application stage.

### 4.3.4 Innovative character of project results

Projects financed under INTERREG EUROPE have to explain the innovative character of their expected results. It is clear that this notion of ‘innovative character’ is relative: what is common practice for large public authorities or in certain European context may be very innovative for smaller public authorities or in another type of context (and vice versa). The particular focus of INTERREG EUROPE on improving 2014-2020 Structural Funds should also contribute to demonstrate this innovative character.

Nevertheless, it is recommended that, before developing a project idea, applicants check on the programmes’ websites the kind of interregional cooperation projects that were already financed (<http://www.interreg4c.eu>) or that are currently supported (<http://www.interregeurope.eu>) . Ideally, they should make sure that their own project and its expected achievements will be of added-value compared to these past or existing initiatives.

The issue of project’s added-value is particularly important for follow-up projects (i.e. projects that were supported under previous EU programmes like European Territorial Cooperation programmes). These projects need to clearly demonstrate how they would go beyond their past cooperation. This added-value can in particular be reflected in the following project’s features:

* the proposed partnership,
* the topic tackled,
* the focus on Structural Funds programmes.

### 4.3.5 Durability of the project’s results

One of the basic requirements of any public funded project is to demonstrate at the application stage that the planned results to be achieved within the project will not be lost at the end of the funding period.

The approach of INTERREG EUROPE is innovative in this regards since a phase 2 is introduced for all projects. This phase will allow a better insight into the way the lessons learnt from the cooperation are implemented in the different partner areas.

Still, the way applicants envisage the durability of their project’s achievements has to be explained at the application stage. In particular, if the expected improvement of policies requires dedicated funding, applicants should clarify how they will ensure this funding will be available.

In INTERREG EUROPE, the impact on policies and the integration of good practices into the relevant policy instruments are the best way to demonstrate the durability of the project’s results.

## 4.4. Partnership

### 4.4.1 Partnership composition

**Who should be involved? The key role of policy makers**

As a general rule, the partnership should contribute to an efficient implementation of the project and reflect its objectives.

Since INTERREG EUROPE is a thematic programme, partners have first to demonstrate their competence in the issue addressed by the project (e.g. innovation, economic development, low carbon economy, environment). Due to the programme rationale, partners have also to demonstrate their policy relevance; policy makers being the main target group of the programme. These policy makers can be national, regional and local authorities as well as other organisations having a role in the definition and implementation of regional policy instruments. The participation of these competent authorities contributes to maximise the impact of the programme on regional and local policies across the EU. **The direct involvement of authorities responsible for the policy instruments addressed by the project is therefore a pre requesite**. If they cannot be directly involved, a letter of support from these relevant authorities have to be submitted.

**How many partners from how many countries?**

In compliance with the EC regulation, projects have to involve partners **from at least three countries, from which at least two partners must be from EU Member States and financed by the INTERREG EUROPE programme.**

Based on the INTERREG IVC experience, a partnership **between 5 to 10 partners** (also considering that the same region can be represented by several partners) appears to be the best configuration to ensure an efficient interregional learning. In any case, the complexity of a wide partnership must not be under-estimated.

**Why cooperating? policy instrument addressed and territorial context**

The policy instruments addressed as well as their territorial context have to be precisely described in the partnership section (section B2) of the application form. This information is important to ensure that result-oriented partnerships are proposed. The territorial context allows a better understanding of the state of play of the issue addressed by the project in each participating region.

In line with the overall programme objective, all projects should at least partly focus on the improvement of programmes under the Investment for Growth and Jobs goal, and when relevant the European Territorial Cooperation goal. Therefore, in each project, **at least half of the policy instruments addressed by the EU regions have to be related to Structural Funds programmes** (e.g. a minimum of 2 for a project with 4 instruments addressed; a minimum of 3 for a project with 5 instruments addressed).

Two partners from the same region can address the same policy. It can for instance be the case of a regional authority together with its regional development agency which both address the Investment for Growth and Jobs programme of their region. But two partners from the same region can also address two different policies. For example, a regional authority can be involved in a project to address its Structural Funds programme while a city from the same region is also involved in order to address its own city level instrument not directly related to the regional operational programme.

**Balanced partnership**

The quality of the partnership composition is also related to the proportionate involvement of the different partners. A balanced participation of the partners is recommended and is reflected at two levels. First, the involvement of all partners in the different project’s activities and in the project’s coordination has to be ensured. Second, the proportionate involvement of the partners is also reflected through their financial contribution. It is clear that the budget of a partner has also to be in line with the level of costs in its specific country. But any major differences between the budgets of the partners must be clearly justified in the application form.

A balanced combination of regions of varying development levels is also encouraged in the project partnership.

**Advisory partners**

A specific type of partners called ‘advisory partners’ can be involved in projects. These advisory partners do not address any policy instrument. They participate in the project due to a particular competence that can facilitate the project’s implementation. This is for instance the case of a European association which is in charge of the project’s communication strategy. This can also be the case of an academic institution that is specialised in the topic tackled by the project or in the exchange of experience process.

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| **Examples of advisory partners**  In the CLUSNET project, the Sockholm School of Economics (SSE) brought its knowledge in terms of 1) clusters, cluster mapping and cluster theory, 2) cluster initiatives, cluster policy and cluster programmes and experience frorm regionale and local cluster programmes in Sweden and around Europe. In return, the SSE benefited from the project through the access to qualitative cluster support policies in ten large european cities. This knowledge has enriched the European Cluster Observatory managed by the SSE. The project also allowed for gaining a greater insight into the implication of cities in cluster development.  In the PLUS project, the LUCI (Lighting Urban Community International) association offered its contributions and good practices to the rest of the partners. This international network brings together cities and lighting professionals engaged in using light as a major tool for sustainable urban development. Through cooperation in PLUS, LUCI benefited from a strengthened position regarding sustainability issues, the increase of its capacity to be a resource centre for cities worldwide seeking information on sustainable. lighting, and generally from the reinforcement of its communication tools resulting in an improvement of its networking capacities. |

**Stakeholder Groups**

For each policy addressed, a stakeholder group has to be created. As highlighted in section XX, the stakeholder group ensures that the interregional learning does not remain at individual level only but also includes the organisational and the stakeholder levels. In most cases, an organisation alone cannot achieve changes in policy. Since the policy-making process is complex, with a variety of players concerned, it is important that these players are also involved in the interregional learning process.

To increase the chance of achieving policy change, project partners should therefore actively involve relevant stakeholders from their region in the activities of the project. Some of these stakeholders may be those implementing later on certain measures of the action plan.

From the start of the cooperation (i.e. in the application stage), the partners have to describe who they envisage to be involved in these groups. Based the above rationale, this group is primarily constituted of organisations that are not directly partners in the cooperation. In particular, the stakeholder group is an opportunity to involve organisations that are not eligible to INTERREG EUROPE (e.g. from the private sector) but that are still important for the definition of public policy. But if relevant, partners can also invite other departments from their own organisations to participate in the group.

**In case the authority in charge of one of the policies addressed by the project is not represented in the partnership, the relevant partner should do its best to include this authority in the stakeholder group.** More generally, politicians and elected members can also be involved thanks this group.

The travel and accommodation costs for members of the stakeholder groups are eligible as long as they are paid by the partner organisation(s) listed in the application form. They are to be budgeted and reported under external expertise costs (see section XX for further details).

**Stakeholder Group composition – examples:**

Under TO1 – Research, technological development and innovation

In a project focusing on technology transfer, the Stakeholder Group of partner 1 may involve representatives from:

* Regional innovation agency
* Chamber of commerce
* Research centres
* Incubators
* Private sectors (either directly or through cluster organisations)

Under TO6 – Resource efficiency

In a project focusing on energy efficiency in public buildings, the Stakeholder Group of partner 1 may involve representatives from:

* Energy agency
* Local public authorities
* Regional bank
* Energy efficiency companies

**Example of stakeholders’ involvement in INTERREG IVC projects**

**ChemClust**

From the outset, ChemClust partners were committed to engage their chemical clusters and innovation units into the co-operation and to reach out to the political leadership in the regions. Furthermore, ChemClust also envisaged collaborating with regional chemical associations in order to provide the project-level cooperation with a good regionally based input and focus on implementation. This initial commitment was actually kept, as other local or regional politicians and public authorities (e.g. sector-specific or horizontal administrative departments or units) as well as regional development agencies, cluster structures and in a few cases also local / regional interest groups or NGOs were involved in the interregional exchange of experience process. These actors were invited to join interregional seminars and Interregional Working Group meetings organised by the partnership to share their individual experiences and to voice their opinions or to learn about approaches from other regions. As an individual benefit, these external actors were also offered the opportunity to establish contacts and networking with interregional partners having similar interests. The involvement of other actors catalysed the exchange of experience process because it helped to gain better insight into triple helix collaborations or the lead positions in the cluster system and provided helpful support to identify gaps in the teaching of chemistry lessons at the schools (input from NGOs organisations connected with the chemistry industry/education).

**CeRamICa**

Under CeRamICa, the promotion and valorisation of the ceramic and small craft sector was realised with a strong integration of actors from the local/regional policy subsystem into the project activities. The partners of CeRamICa established at organisational level a close joint working relationship with other stakeholders outside the immediate project partnership (e.g. local craftsmen, artisans, educational institutions, chambers of commerce, decision making & funding bodies). The partners organised events throughout the project where all involved actors could meet and exchange their views, share problems, bring together ideas for future development and build relationships with each other. This has been done through site visits, study tours and interregional workshops involving staff of CeRamICa partners and relevant local/regional stakeholders, which overall intensified the exchange and transfer of experiences.

### 4.4.2 Eligible project partners and legal status

In principle any organisation relevant for the project and actively participating in the project can be part of the partnership. However, only certain organisations are eligible to receive ERDF or Norwegian funding.

The following bodies are eligible in INTERREG EUROPE projects:

* Public authorities
* Public law bodies (bodies governed by public law)
* Private non-profit bodies

**Public authorities** are generally understood as the state, regional, or local authorities.

In order to be considered a **public law body/body governed by public law** the concerned organisation has to comply with Article 1 (9) Directive 2004/18/EC, which says:

*‘body governed by public law’ means any body:*

*(a) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;*

*(b) having legal personality; and*

*(c) - financed, for the most part, by the state, regional or local authorities, or other bodies governed by public law;*

*- or subject to management supervision by those bodies;*

*- or 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. […]*

A **private non-profit body** in the context of the INTERREG EUROPE programme has to fulfil the following criteria:

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;*

*- not subject to management supervision by those bodies;*

*- 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.*

It is important to highlight that private non-profit bodies cannot take on the role of a lead partner in INTERREG EUROPE projects.

**Each Partner State is responsible for confirming the legal status of partners located on its territory.** If there is doubt over its status, the partner should contact its Partner State representative directly. Partner State contact details are available on the programme website ([www.interregeurope.eu](http://www.interregeurope.eu)).

Any organisation not fulfilling the requirements described above is not eligible for ERDF or Norwegian funding. Nevertheless, they may participate in projects at their own cost if their involvement is relevant to the overall objective of the project.

### 4.4.3 The “contributing partner”-principle

INTERREG EUROPE projects can only involve contributing partners. It is not possible to participate with an “observer” status, i.e. in order to be an official partner, a financial contribution is necessary. It is also not possible to participate as a “sub-partner” and to receive ERDF funding through another partner organisation/umbrella organisation listed in the application form. Any organisation that contributes to the implementation of the project and receives programme funding has to be listed as a formal project partner. In all other cases, any form of participation in the project would be considered as sub-contracting by one of the formal partners. This requires compliance with national and European procurement rules and a full payment from the partner on the basis of a contract and invoices before these costs can be reported by the official partner in the progress report.

With regard to the stakeholder group participation, the travel and accommodation costs of these groups are eligible as long as they are paid by the partner organisation(s) listed in the application form. They are to be budgeted and reported under external expertise costs (see section XX for further details).

### 4.4.4 Project partner co-financing rates

Under the INTERREG EUROPE programme, the project activities are co-financed from the ERDF at either 75% or 85% depending on the legal status of the project partner. The other 25% or 15% has to be provided by the partners themselves. The sources of the partners’ own contribution can be manifold. It can come from the partners’ own budget or from other public sources at central, regional or local levels. Each partner has to commit himself to provide their own contribution through a partner declaration (see section xxx).

Partners from Norway are not eligible for receiving ERDF, but can receive funding of 50% from pre-allocated national funds, which Norway makes available in the context of its direct participation in the INTERREG EUROPE programme. The Norwegian national funds are also disbursed by the INTERREG EUROPE programme following the submission and acceptance of the projects’ progress reports.

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| **Co-financing rate** | **Eligible project partner  according to legal status and location** |
| 85% ERDF | Public bodies and bodies governed by public law  from all 28 EU partner states |
| 75% ERDF | Private non-profit bodies from all 28 EU partner states |
| 50% Norwegian funding | Public bodies, bodies governed by public law and private non-profit bodies from Norway |
| Swiss funding | Partners from Switzerland are invited to contact the Swiss INTERREG national point of contact (XXX) to receive information on Swiss funding opportunities |

It is not possible to receive an advance payment from the programme. This means that each project has to pre-finance its activities until it submits a progress report which is subsequently paid by the programme after approval. The programme then reimburses 75% or 85% of the total eligible expenditure declared by each partner, for Norwegian partners 50% respectively. Project partners therefore need to set aside sufficient own funding if they want to become involved in an INTERREG EUROPE project.

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| **Interregional Cooperation under the investment for growth and jobs goal programmes**  According to Article 96 (3d) of Regulation (EU) No 1303/2013, Member States or regions may have foreseen a priority on interregional cooperation within their operational programmes under the investment for growth and jobs goal. In principle, these Member States or regions should develop projects with others that have included the same reference to interregional cooperation in their operational programme. For cooperation projects under investment for growth and jobs programmes, each partner will have its own contract with its own managing authority. As this offers significant coordination challenges across the partnership, this type of initiative should be dedicated to intensive cooperation projects with a limited number of regions.  It may occur that the above regions have to work with partners which do not have such a reference to interregional cooperation in their operational programme. In this case and in order to avoid additional complexity, it is strongly recommended that all the partners of the project apply to INTERREG EUROPE ensuring that no partner is in receipt of funding from its operational programme.  In duly justified cases, some regions may use their national / regional funding to be involved in a project submitted to the INTERREG EUROPE programme. They would not receive any INTERREG EUROPE funding, but would instead finance their participation with the budget of their regional programme, which would be listed as “other funding” in the INTERREG EUROPE application. The following conditions will apply to these particular projects:   * The partner funded by its operational programme cannot be the lead partner of the INTERREG EUROPE project. The lead partner bears all the administrative, financial and legal responsibility (see section XX) for the implementation of the project. This is the reason why the lead partner has to be a ‘full’ partner in the project. * Besides the partner(s) funded from the operational programme, the partnership has to involve at least three more partners among which two are from EU Member States and actually financed by the INTERREG EUROPE programme. * A partner has to be financed either under INTERREG EUROPE or under the operational programme, but not under both programmes at the same time. It should also be stressed that expenditure can only be financed from one funding source. * The deadlines, approval and reporting procedures of the regional programmes may differ from the INTERREG EUROPE programme and thus make the management of the activities of partners under different funding mechanisms more complex. This should be taken into consideration when the project is set up. |

### 4.4.5 Funding for partners outside the programme area

Partners from countries outside the programme area can participate in INTERREG EUROPE projects with their own funding since they are not eligible to ERDF. Any partner participating must be relevant for the project implementation and actively participate in the project implementation.

The funding of partners outside the programme area must be proven through a financing statement covering the whole budget of the concerned partner.

In some cases it might be possible to obtain funding through other EU-instruments (such as ENI[[10]](#footnote-10) or IPA[[11]](#footnote-11)) or through special national allocations. In the case of co-financing from other EU instruments, the following has to be kept in mind:

* The financing provided by other instruments has to follow separate administration and monitoring, even if the project has been designed as a joint one.
* The approval deadlines and the administrative procedures of the different instruments vary and might not be in phase with the INTERREG EUROPE cycle. This should therefore be carefully considered by the partners when planning activities and budgeting costs.
* From the point of view of accountancy an item of expenditure can be allocated to only one programme. Activities budgeted and paid for by EU-partners and Norway and co-financed from the ERDF or the Norwegian allocation are reported to the INTERREG EUROPE programme. Other parts of the project budgeted and financed by partner from countries outside the programme area under other instruments, have to be monitored by the respective other management bodies.

### 4.4.6 The role of the lead partner

Each project must follow the so-called lead partner principle, which means that among the partners who carry out the project, one is appointed to act as the lead partner and thus holds the formal link between the project and the joint secretariat/managing authority (in accordance with Article 13 of the Regulation (EU) No 1299/2013 [ETC]). The lead partner takes on the responsibility for management, communication, implementation and co-ordination of activities among the involved partners.

The lead partner:

* signs and submits the application form on behalf of the partnership,
* signs a subsidy contact with the managing authority for the total amount of the subsidy,
* is responsible for the division of tasks among the partners involved in the project and ensures that these tasks are subsequently fulfilled in compliance with the application form and subsidy contract,
* lays down the arrangement for its relations with its partners in a partnership agreement (see section XX) comprising inter alia provisions guaranteeing the sound financial management, ,
* ensures an efficient internal management and control system,
* makes certain that the project reports on time and correctly to the joint secretariat,
* ensures that the expenditure reported by all partners has been incurred by implementing the project and corresponds to the activities agreed between all the partners,
* requests and receives payments of programme funding and
* transfers programme funding to the partners without delay in compliance with the amounts reported in the progress report.

The lead partner may be from an EU-Member State or Norway. Partners from Switzerland cannot take on the role of a lead partner. Also, private non-profit body cannot be lead partner in an INTERREG EUROPE project.

## 4.5 Details on budget and eligibility at the application stage

The following sections provide an overview on important points with regard to the project budget and eligibility when preparing a project. Applicants should also study carefully section 5 of this programme manual.

### 4.5.1 Building a project budget

It is important that projects consider financial issues from the very beginning. This approach requires the involvement of all partners in the preparatory work and planning meetings during the development phase of the project application. Time invested prior to the submission of the application results in strong partnerships with clear responsibilities and well justified budget allocations. Good preparation is fundamental to ensuring a prompt start to the project’s activities after approval, as well as smooth project implementation thereafter.

It is certainly useful to estimate the funds potentially available and to take into account the recommendations for a reasonable project budget. The overall budget has to be in line with the activities planned, the project’s duration and the number of partners involved. This implies that the detailed budget is always prepared on the basis of the activities needed to meet the project’s objectives and the resources required to carry out these activities within the time allowed.

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| **Cost budgeting**    (Source: Interact Point Qualification and Transfer: “Financial Management Handbook”; 2006; p. 80)   1. The first step of project development should be dedicated to precisely defining the theme tackled, the objectives to be reached and the main activities required to achieve these objectives. 2. Once the partnership has a clear overview of the main activities and outputs by semester, it should decide which partner will be responsible for which activity / output. 3. When the allocation of activities / outputs per partner is clear, the budget elaboration can start. It is advised to:  * identify the resources needed by each partner to complete the activities, * approximate the related cost and forecast the payment date, * organise these figures by budget line.   This leads to the budget by partner, budget line and six-month period.   1. By aggregating the budgets of partners, the partnership gets the total estimated amount per budget line and six-month period for the whole partnership for the application form. |

**Preparation costs** are fixed as a lump sum of EUR 15,000. The lead partner reports this lump sum with the first progress report and will be reimbursed the corresponding ERDF share (see section XX).

### 4.5.2 The budget lines

The budget table in the application form provides for a sub-division into the following budget lines:

|  |  |  |
| --- | --- | --- |
| **Budget line** | **Recommendations/ rules** | **Applicable for** |
| Staff costs | Usually largest share of the total budget, approx. 50% | the personnel/**staff** employed by the partner institutions officially listed in the application form |
| Office and administrative expenditure | Flat rate of 15% of the staff costs (automatically calculated by the application form) |
| Travel and accommodation costs |  |
| External expertise and services costs | Usually less than 50% of the total budget | **external** experts’ staff, office and administrative expenditure + travel, equipment |
| Equipment expenditure | Focus on office equipment for not more than EUR 5,000 - 7,000 per project | the personnel/**staff** employed by the partner institutions officially listed in the application form |

For detailed information on the different budget lines please study carefully section 5 of this programme manual.

### 4.5.3 The spending forecast and decommitment

At the application stage, each project needs to plan a spending forecast for each of the six monthly reporting periods. Based on the budget planning as described above, the spending forecasts should take into consideration the following elements:

* The reporting periods cover periods of six months (for more information please see section XX).
* The spending forecast should be an estimation of the actual payments to be done in each of the six months period (semester). Therefore, it only partly reflects the activities taking place in a certain period. Indeed, if an activity is carried out close to the end of a reporting period, the related payment may only be possible in the following period and the costs should therefore be budgeted only in the following reporting period. It should be kept in mind that the activity carried out is not synchronic with the payment related to the activity.

The project’s spending forecast is important for the programme, because also the programme has to comply with a spending forecast. The spending forecast of the programme is based on ERDF allocations by the Commission. Thus if the projects do not meet their spending the programme will also not meet it. In case the programme does not meet the spending forecast it will be subject to decommitment (for further information see below), this means that the programme budget would be reduced accordingly. This is why projects will be monitored on the basis of their spending forecast. It is therefore important that projects:

* carefully prepare a realistic spending forecast,
* are ready to start project implementation very quickly after project approval,
* monitor the financial spending continuously during implementation and
* ensure regular, timely and full reporting.

**The decommitment rule (n+3)**

At the beginning of every year the Commission allocates a certain ERDF amount to the INTERREG EUROPE programme. The annual allocation has to be spent within 3 years following the year of commitment. If at the end of 3 years the annual allocation is not spent, budget will be lost (= decommitted). If this loss results from certain projects lagging behind their spending targets, the programme will be obliged to reduce the budget of these projects. Therefore, the spending forecast becomes part of the subsidy contract, which also includes provision that any amounts which are not reported in time and in full may be lost.

The first year of potential decommitment for the INTERREG EUROPE programme is 2017.

### 4.5.4 Project duration and eligibility of expenditure

Costs for the project implementation are eligible from the date of approval by the programme’s monitoring committee to the end of the month quoted as “finalisation month” in the approval letter. The monitoring committee is expected to be held within six months after the end date of each call. Projects should be ready to start implementation within two months following the date of approval by the monitoring committee.

The “finalisation month” marks the end date for all eligibility and determines the date by when the last progress report has to arrive at the offices of the joint secretariat for the final monitoring. This is important to take into consideration so that all activities and corresponding payments have to be made before this date in order to be eligible (incl. payment for the financial control of the last progress report). For more information please see section XX of the programme manual.

## 4.6 Example of a possible interregional cooperation project

### 4.6.1 Features

**Partnership**:

4 partners from 3 ‘regions’

Region 1 represented by

* + an Italian region (economic development department) – Lead Partner
  + together with its regional development agency (partner 2)

Region 2 represented by:

* + Ministry of Economy in Norway (partner 3)

Region 3 represented by

* + a Polish city (international department) (partner 4)

**Issue addressed**

Low rate of business creation in the participating ‘regions’ in particular among young people

**Policies addressed and organisations in charge of these policies**

IT region: ERDF/ESF Operational Programme, Investment Priority dedicated to business creation; managed by the Region (i.e. partner 2)

NO region: National Programme on Business creation managed by the Ministry of Economy

PL region: ERDF Operational Programme, Investment Priority on young entrepreneurs managed by the regional authority (not directly represented in the partnership)

**Local Stakeholder Groups**

IT Region

* Incubators
* Local Institute for entrepreneurship
* Association of regional young entrepreneurs
* Universities

NO Region

* National agency for innovation
* Regional public authorities
* National association of entrepreneurs,

PL Region

* Regional Authority as MA of the ERDF programme
* Local incubator
* Local chamber of commerce

### 4.6.2 Phase 1 achievements

IT Region

1 action plan finalised including following measures:

* Based on the Norwegian experience, amendment of the existing funding instrument to include financial support to young entrepreneurs through loans (instead of the usual direct financial aid)
* Based on the Norwegian experience, 1 pilot action on developing a university course on entrepreneurship.

This pilot action is submitted to INTERREG EUROPE through a revised application form. The Italian university involved in the pilot action is added as a fifth partner. This application for additional INTERREG EUROPE funding is justified by the fact that the IT Region is not yet sure that the Norwegian practice can be adapted to the Italian context. The IT Region therefore needs the Norwegian expertise to adapt and test the course in practice. In case of success of the pilot action, the IT Region will envisage its funding through its ESF funding. On this basis, the revised application is approved by the INTERREG EUROPE Monitoring Committee at the beginning of phase 2.

NO Region

1 action plan finalised including following measures:

* Creation of regional associations of young entrepreneurs following the Italian example (19 associations in total, 1 per county)
* Based on the Polish experience, amendment of the national programme with inclusion of a measure dedicated to young people (between 20 and 25)

PL region

Action plan not finalised. Due to legal constraints and the lack of endorsement by the MA, the transfer of interesting experiences identified in NO and IT could not be formalised in an action plan.

### 4.6.3 Phase 2 achievements (2 years after action plan finalisation)

IT Region

* EUR 1.2 million ERDF allocated through loans to 48 young entrepreneurs.
* 1 university course on entrepreneurship implemented; 34 students trained.
* University course to be prolonged one full year with ESF support.

NO Region

* 8 regional associations of young entrepreneurs created instead of 19 initially planned. But 153 young entrepreneurs already members of the 3 associations.
* National programme modified, 132 young entrepreneurs supported.

PL region

Although no action plan was successfully finalised, the project was an opportunity to establish a dialogue between the city and the MA. Since the end of phase 1, this has resulted in 2 bids submitted by the city to the ERDF programme in the field of SME support. Both bids were approved for a total amount of EUR 200,000 ERDF and 26 local SMEs benefited from the new measures.

# 5. Application and selection

## 5.1 Assistance to applicants

INTERREG EUROPE provides the opportunity for organisations involved in regional policy to gain access to the experience of partners in other parts of Europe. Specific project ideas can be developed by relevant authorities throughout Europe based on their specific responsibilities and interests.

As far as the development of project ideas are concerned, the programme provides **the following tools** to future applicants:

* **Project idea and partner search database** is available on the programme’s website [www.interregeurope.eu](http://www.interregeurope.eu). All those who would like to publish their project idea and market it to future potential partners are welcome to submit this idea through a standard form. Similarly, organisations looking for interesting project ideas can search in this database using key words. It should be noted that **the programme does not screen the ideas submitted in this database**, nor guarantees their relevance to INTERREG EUROPE.
* **Project assistance forms** are available for download from the programme’s website.By filling in the form, applicants receive a detailed feedback on their project idea by the joint secretariat.

The following tools are only available when a call for proposal is open:

* **Individual consultations** are regularly organised for lead applicants at the premises of the joint secretariat or via online tools. During these sessions, applicants get a feedback on the relevance of their project idea from the joint secretariat. Schedule and registration forms are available on the programme’s website.
* **Information days** provide general information on the programme and the call for proposals to potential applicants wishing to submit a project proposal. These events are mainly for the benefit of applicants who are at a rather early stage of development of their project ideas. They are organised by each Partner States point of contact. In case of demand, the event may be coupled with individual consultations. Schedule and registration forms are available at the programme’s website.
* **Lead applicant seminars** aim to assist applicants at a more mature stage of development of their project ideas by offering practical workshops on more detailed features of the call for proposals and the application form (e.g. finding the right approach to the topic tackled, building a well-structured plan of activities, carefully selecting the partners, avoiding mistakes when calculating the project budget). These seminars are organised in various partner states, with the assistance of the respective national point of contact to allow easier access for applicants. The event is coupled with individual consultations as well. Schedule and registration forms are available at the programme’s website.

For further assistance on project development and application procedures, applicants should not hesitate to contact the joint secretariat (JS) by phone or e-mail. All relevant information for project development and applications including contact details for the joint secretariat is online on the programme’s website.

Successful projects requires a good preparation phase. It is important to note that all partners should be closely involved in preparing the application. Also, the preparation of a good application can only be ensured after a careful study of the programme documents. In particular, the information provided in the programme manual is crucial for applicants. For instance, the description of the eligibility and quality criteria (see section XX) provides useful information on the programme requirements and on the way the applications are assessed.

Partner search should start at an early stage of the project’s preparation phase in order to properly involve the possible partners in the preparation of the proposal. Early contacts between the future partners also contribute to building trust and confidence within the partnership, which can facilitate the future management of the project. In addition to the **partner search database** mentioned above, the programme also suggests using **the** **following tools**:

* **Partner search forums** are organised at programme level. At these events, a certain number of facilities will be proposed to help participants to promote their project ideas or to find relevant partners according to the theme they are interested in. Details of upcoming events are published regularly on the INTERREG EUROPE website: ([www.interregeurope.eu](http://www.interregeurope.eu)).
* **Existing EU networks** (such as Eurocities, EURADA, ERRIN, FEDARENE, CPMR) may also be useful to contact when a partner with expertise in a specific field or from a specific geographical location is needed.
* **National points of contact** may provide additional assistance and confirm the eligibility of partners. A current list of national points of contact is available on the programme website.

## 5.2 Submission

Applications are submitted to the programme through calls for proposals, which are organised on a regular basis between 2015 and 2018. They can be submitted at any time between the launch date and the closing date of each call. The **terms of reference**, published on the programme’s website ([www.interregeurope.eu](http://www.interregeurope.eu)) at the time when a call is launched, define the specifications and requirements for each call.

What and how to submit?

* **Application form** including lead partner confirmation:electronically via the online system and an unbound hard copy of the summary
* **Partner declaration** (Annex 1): originals or copies for all partners
* **Letters of support** if applicable (Annex 2):originals or copiesfor the partners concerned (see point C below).

**Besides the electronic submission of the application form, all other hard copies** (see further specifications in the sections below) **have to be sent to the address of the joint secretariat by the deadline set in the call for proposals.** Applications or corrected documents sent after the deadline will not be accepted. This eligibility criterion will be checked through the date of the postal stamp on the envelope or through an equivalent proof of the date of sending to be provided with the sent documents.

All these documents including the online application form user guide can be accessed via www.iOLF.eu.

Applications have to be completed in English as it is the working language of the programme. Applications submitted in another language will be considered ineligible.

1. **Online application form**

The application form is an online document, which is available any time for consultation but is opened for editing and submission only during a running call. Detailed instructions on how to access and fill in the online application form are provided in the online application form user guide and in the application form itself.

The online form includes a number of automatic links and formula. These features ensure that error messages appear in the form if it is not properly filled in. This helps reducing significantly the risk of submitting ineligible applications. This also means that the protection on the online document must not be removed.

The application form has to be submitted via the online system. Also, an unbound hard copy of the project summary has to be sent to the joint secretariat. This document which includes the Lead Partner summary has to be dated and stamped (if a stamp is available within the organisation) and it has to carry the original wet ink signature (not faxed, scanned or otherwise duplicated) of the legal representative of the organisation. The paper version of the summary has to be identical to the electronic version which can be verified by the identification number generated by the online system that is also inserted on each page of the printed version. Applicants have to make sure that the identification number of the submitted online application is identical to the printed version to be sent to the joint secretariat.

1. **Partner declaration**

At the application stage, INTERREG EUROPE requires proof that the lead partner and the partner’s own financial contribution has been secured and will be available for the project’s implementation as laid out in the application form. This proof is delivered in the form of a partner declaration. The partner declaration is **obligatory for all partners listed in the application form**, i.e. for both EU and non-EU partners. The partner declarations are a pre-requisite for a project proposal to be eligible to the programme. It is therefore important to take this requirement into account early on in the preparation phase so that the partner declarations are available at the latest before the closure of the call when the application has to be submitted to the programme. The name of the partner mentioned in its partner declaration has to be identical to the organisation name mentioned in ‘Part B – Partnership’ of the application form. The indicated amount of national financing provided must cover at least the amount of national financing indicated for the partner in section ‘A.4 Overview of project partners’ of the application form. Lower amounts indicated would not ensure the required national financing, and would therefore lead to the ineligibility of the application. Partner declarations should be printed on headed letter paper of the organisation if available. Finally, they must be dated and signed by the relevant person within the organisation and stamped, if a stamp is available. Only the standard form included in the application pack can be accepted and the wording must not be amended.

1. **Letter of support**

The chance of improving policies through interregional cooperation very much depends on whether the relevant policy makers are directly involved in the project. In the case of policies addressed within Structural Funds programmes, a direct involvement of managing authorities (MA) / intermediate bodies (IB) or other relevant bodies in charge of Structural Funds programmes is strongly encouraged. The same applies when other policy instruments are addressed (outside Structural Funds), i.e. the relevant policy making body should also ideally be partner in the project. When this is not the case, the partners concerned need to submit a letter of support.

A letter of support is required by a partner when:

* Structural Funds programme is addressed, but the MA/IB (or other relevant bodies) in charge of the management of this Structural Funds programme is not directly involved in the project as partner
* Another policy instrument (outside Structural Funds) is addressed, but the organisation responsible for this instrument is not directly involved in the project

In its support letter, the MA/IB or other relevant bodies take note of the project development and commit themselves to fully support and closely follow-up the project’s implementation.

When one policy instrument is addressed by several partners coming from the same region (and none of them is the body responsible for this instrument), it is sufficient to produce one letter of support only, ensuring that all concerned partners are named in the letter. If one of them is the body responsible for this instrument, partners coming from the same region and addressing the same instrument do not need to submit a letter of support.

The name of the partner(s) mentioned in the support letter has to be identical to the respective organisation name mentioned in ‘Part B – Partnership’ of the application form. Support letters should be printed on headed letter paper of the relevant institution. Finally, they must be dated and signed by the relevant person within the institution and stamped, if a stamp is available. Only the standard form included in the application pack can be accepted and the wording must not be amended.

The submission of the relevant support letters is a pre-requisite for a project proposal to be eligible to the programme. It is therefore important to take this requirement into account early on in the preparation phase so that the required support letters are available at the latest before the closure of the call when the application has to be submitted to the programme.

## 5.3 Selection

After submission, each application is subject to a two-step selection procedure. At first, project proposals is checked against the eligibility criteria in order to ensure that they fulfil the technical requirements of the programme. The eligibility assessment is performed by the joint secretariat (JS). Only project proposals that satisfy the eligibility criteria are subject to the second step, the quality assessment. **There is no possibility to submit corrected documents after the deadline for submission.**

The quality assessment applies again a two-step approach that is based on a scoring system and results in a ranking list of all eligible applications submitted that have also passed successfully the strategic assessment criteria (see further details under sections 3.4.1 and 3.4.2). It is carried out by the joint secretariat and on a case by case basis the advice of thematic experts may be asked.

**Important: It should be noted that further or stricter criteria may be defined in the terms of reference of each call. In case of a contradiction between the information given in the programme manual and the terms of reference, the stricter criteria apply. The terms of reference for each call are published on the programme website:** [**www.interregeurope.eu**](http://www.interregeurope.eu)**.**

### 5.3.1 Eligibility assessment

The eligibility assessment is a ‘yes or no’ process. This means that the eligibility assessment does not allow any flexibility in the way the criteria are applied.

Each INTERREG EUROPE project has to answer ‘yes’ to the following eligibility criteria:

|  |
| --- |
| **Eligibility Criteria** |
| 1. Has the application form been submitted in due time in original and electronic versions, both versions being identical? Is a proof of sending provided (postal stamp or equivalent)? 2. Is the application complete and includes:  * the application form including lead partner confirmation (original)? * the partner declaration for all participating partner listed (originals or copies)? * the support letters for all concerned partners (originals or copies)?  1. Is the application form dated and hand signed and fully and properly filled in according to the instructions (no error messages appear in the document)? 2. Is the project supported by partners from at least three countries, from which at least two partners are from EU Member States and are financed by the INTERREG EUROPE programme? 3. Are at least half of the EU regions involved in the project addressing policies related to Structural Funds? 4. Are all partner declarations provided, signed and dated (if available they should also be stamped and printed on headed letter paper)? Is the name of the partner mentioned identical to the organisation name mentioned in the application form? Does the sum stated in the statement at least cover the “national financing” amount (or the “total amount” in case of partners not applying for INTERREG EUROPE co-financing) indicated in the application form? Is the standard form included in the application pack used and, besides the fields to be filled, have no amendments been made to the text? 5. Are all support letters from the concerned partners provided, signed and dated (if available they should also be stamped and printed on headed letter paper) by the relevant organisation? Is the name of the partner(s) mentioned identical to the organisation name listed in the application form? Is the standard form included in the application pack used and, besides the fields to be filled, have no amendments been made to the text? |

### 5.3.2 Quality assessment

The quality assessment applies to projects that have fulfilled all eligibility criteria only.

The quality assessment criteria are divided into two categories:

1. Strategic assessment criteria – to assess the project’s contribution to the achievement of programme objectives.

Criterion 1 – Relevance of proposal

Criterion 2 – Quality of results

Criterion 3 – Quality of partnership

1. Operational assessment criteria – to assess the consistency and feasibility of the proposed project, as well as its value for money.

Criterion 4 – Coherence of the proposal and quality of approach

Criterion 5 – Quality of management

Criterion 6 – Budget and finance

A score is attributed to each quality criterion (except in case of knock-out criterion), which will result in an average score per project. Based on the average score per projects, the joint secretariat will produce a ranking list. The following scoring scale is used:

5 excellent

4 good

3 adequate

2 poor

1 very poor

0 knock-out criterion[[12]](#footnote-12)

As mentioned in section 3.4, for the quality assessment the programme applies a two-step approach, meaning that only projects that are successful at the strategic assessment stage (reaching at least an average ‘adequate’ level – i.e. an average score of 3.00 or above) are assessed also from the operational point of view.

In order to decide on a score per criterion, the assessors use the following quality assessment guidelines. **Applicants should have a careful look at these guidelines before preparing their application.**

**Quality assessment guidelines**

1. **Strategic assessment criteria**

**Criterion 1 – Relevance of proposal**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Relevance of the theme tackled | * Is the theme tackled clearly in line with one of the programme’s investment priorities? (C.2) * Is the theme and the policy instruments addressed clearly related to regional development and/or EU Structural Funds policies? Is it clearly in line with the competences of the relevant authorities at local, regional and national level? (B.2.1.1, B.2.1.2, C.2) * Are the issues tackled at regional level linked to their smart specialisation strategies? If so, is the link well explained and justified? (B.2.1.1) * Is the theme of clear European added-value? Can this theme be considered of general interest in the context of EU regional policy? (C.2) |
| Relevance of the proposed approach | * Is the theme of the project clearly tackled at policy level? (B.2.1.2, C.2, C.4, Part D) * Has the project a clear focus on the exchange of experience and does it clearly build on the partners’ experience? Is the exchange of experience at the policy level at the heart of the proposed cooperation? (B.2.1.2, C.4, Part D) * Does the project demonstrate clearly how it will contribute to the programme’s objectives and in particular to the improvement of regional / local policy instruments? (C.2, C.3, C.4, C.5, C.6, Part D) * It the proposed approach clearly interregional? (C.4, Part D) * Is the proposed cooperation win-win? (C.4, Part D) |

**Criterion 2 – Quality of results**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Added-value of the results | * Are the expected results clearly defined? (C.6) * innovative? Are they clearly different from the results already achieved in other running or past projects? (C.6) * Are potential synergies with and added-value compared to similar running projects clarified in the application form? (C.63) * For follow-up projects, is the added-value clearly demonstrated through the partnership and/or the theme tackled? (Part B, C.6) |
| Durability of the results | * Are there realistic provisions to ensure the durability of the project’s results? (C.5.4) |

**Criterion 3 – Quality of partnership**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Coherence between the objectives of the project and partnership | * Is the issue tackled of interest to all partners? Will all the partners benefit from and contribute to the project? (B.2.1.2, Part D) * Are the partners involved appropriate to solve the issue tackled? (B.2, C.2) * Are the involved partners in a position to influence their regional/ local policies and strategies? (B.2.1.2) * Are the stakeholders identified relevant to the issue addressed by the project? Are their roles and involvement in the project clearly described? (B.2.1.3) |
| Proportionate involvement of all partners in developing project idea, preparing application, implementing and co-financing operation | * Do all partners seem to have been involved in developing the project? (D.1) * Does the involvement of all partners seem proportionate? If not, is it justified in the application form or through the project’s approach? (C.4, D.2) * Is the financial contribution between the partners balanced and realistic? If not, is it justified? (Part D, E.1) |
| Good mix of regions with different levels of experiences | * Is the partnership a mix between well experienced and less experienced partners in the field tackled by the project? If not, is it justified in the application form or through the project’s approach? (Part B, C.4) |

1. **Operational assessment criteria**

**Criterion 4 – Coherence of the proposal and quality of approach**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Coherence of the proposed approach | * Are the following elements logically inter-related: issue tackled, objectives and planned results? (C.2, C.3, C.4, C.5.1, C.5.2, Part D) * Can the expected results be achieved through the proposed approach and planned activities? (C.4, C.5.1, C.5.2, Part D) * Is the overall proposed approach realistic and consistent? Are activities logically inter-linked? Is their sequencing logical? (C.4, Part D) |
| Quality of the work plan | * Are the planned activities and outputs described in enough detail in the project’s work plan? (Part D) * For each semester of the work plan, are the main outputs in line with the description of the activities? (Part D) |
| Consistency of the project with EU horizontal policies and compliance with state-aid rule | * Is the project in line with the EU horizontal policies (sustainable development, equal opportunities and non-discrimination, and equality between men and women)? (C.7) * Is it ensured that none of the planned activities are state aid relevant? (Part D) |

**Criterion 5 – Quality of management**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Clarity of project coordination and management structures and procedures | * Are the procedures for management and coordination at strategic and operational levels clearly and satisfactorily explained? Are they transparent and fair? Are all partners involved in the decision making process? If not, is it justified? (C.7.1, Part D) * If a sharing of tasks is envisaged within the partnership, is this division clear and logical? If no division of tasks is envisaged, is it justified? (C.7.1, Part D) |
| Quality of project management | * Are the project management related activities clearly and precisely defined? (Part D) * Does the work plan include the basic management and coordination activities / outputs (i.e. progress reports and Steering Group meetings)? (Part D) * Are these activities in line and coherent with the description provided in section C.7.1 of the application form? (C.7.1, Part D) |

**Criterion 6 – Budget and finance**

|  |  |
| --- | --- |
| **Sub-category** | **Indicative assessment questions**  (and source in application form) |
| Value for money | * Is the overall budget reasonable compared with the planned activities/outputs and project’s duration? Is the overall budget reasonable compared with the number of partners involved? (A.1, A.3, A.4, Part D) * Is the value for money demonstrated in the context of INTERREG EUROPE? (all) * Is the budget share dedicated to ‘external expertise and services’ reasonable (i.e. is it below 50% of the total budget)? If not, is it justified? (E.2) * Is the budget allocated to equipment reasonable (i.e. within the recommended EUR 5,000-7,000 per project)? If not, is it justified? (E.2) |
| Consistency of the budget | * Do the financial arrangements reflect the planned activities? Are the costs by budget lines coherent and in line with these activities? (D.2, D.3, E.2) * Is the spending plan coherent and realistic? Does it reflect the planned activities? (E.3) * Are the costs for ‘External expertise and services’ precisely and clearly described? Is the level and nature of these costs justified and in line with the planned activities? Are their additionality and interregionality clearly justified? Is there a risk that public procurement rules will not be respected (e.g. the name of the company is mentioned)? (Part D, E.4) * If equipment costs (e.g. IT equipment) are budgeted, are they clearly described? Is the level and nature of these costs justified? Are they benefiting the partnership? (E.5) * If activities are organised outside the EU, is the location of these activities clearly specified (i.e. country or town)? Are these activities taking place outside the EU relevant and justified? Is there a risk that the costs paid by the EU partners for these activities exceed 20% of the total project’s budget? (D.2, D.3, E.2) |

### 5.3.3 The decision-making process

**After completion of the first step** of the assessment (**eligibility assessment**), the monitoring committee confirms the results of the eligibility assessment through written procedure. The lead applicants of the ineligible applications then receive a notification letter specifying the unfulfilled eligibility criteria.

**After completion of the second step** of the assessment (**quality assessment**), projects that have passed successfully the strategic and operational assessment criteria and have reached an overall sufficient average score (reaching at least an average ‘adequate’ level – i.e. an average score of 3.00 or above) are recommended for approval or recommended for approval under conditions to the monitoring committee[[13]](#footnote-13). The remaining projects are not recommended for approval.

Applications where a knock-out criterion is applied will not benefit from a full assessment. Only the reason(s) for knock-out will be developed and explained in the assessment results. Similarly, projects that have failed under the strategic assessment criteria are not further assessed and only the results of this assessment stage will be developed and explained.

Final decisions on approval is made by the monitoring committee of INTERREG EUROPE, based on the results of the quality assessment.

All lead applicants are informed about the decision on their proposal soon after the meeting of the monitoring committee. Lead applicants of the non-approved projects receive a notification letter with a summary of the quality assessment results. They are thus informed about the reasons why their application failed. Similarly, all the lead partners of the approved projects receive a letter from the joint secretariat stating the decision of the monitoring committee as well as the total ERDF and possible Norwegian and Swiss funding approved. It is likely that the decision includes certain conditions deriving from the results of the quality assessment. A precise deadline for fulfilling these conditions is set in the notification letter. Only once these conditions are fulfilled, the subsidy contract can be concluded.

## 5.4 Complaint procedures

As mentioned above, project lead applicants of rejected project proposals are informed in writing about the reasons why an application was not eligible or not approved. Any questions in relation to the assessments will be examined and answered by the managing authority/joint secretariat. If needed, remaining complaints will be examined and answered by a complaint panel involving the previous, present and future chairs of the monitoring committee and the managing authority/joint secretariat. If deemed necessary, the complaint panel may decide to refer back a complaint to the monitoring committee. An overview of complaints examined and answered by the panel will be provided to the monitoring committee in the following meeting.

Complaints against decisions of the programme’s managing authority/joint secretariat during project implementation will follow the rules laid down in the subsidy contract that is concluded between the managing authority and the lead partner. Complaints related to first or second level control have to be lodged against the responsible national authority according to the applicable national rules.

# 6. Project implementation

## 6.1 Project start

The monitoring committee is expected to be held within six months after the end of each call to approve projects. Projects should be ready to start implementation as soon as possible after the decision of the INTERREG EUROPE monitoring committee, approximately within two months from the date of this decision.

The actual start date will be determined for each call of proposals individually and communicated to the projects at the stage of their approval.

### 6.1.1 Subsidy contract

Should a project be selected for funding and fulfil the conditions set by the monitoring committee of the programme, a subsidy contract between the managing authority of the programme and the project’s lead partner will be concluded. The subsidy contract determines the rights and responsibilities of the lead partner and the managing authority, the scope of activities to be carried out, the terms of funding, requirements for reporting and financial control, etc.

The subsidy contract will cover both phases of a project (exchange of experience and development of action plans plus monitoring of the implementation of the action plans). In cases where projects apply for pilot actions as part of phase 2 and those are approved by the monitoring committee a revised subsidy contract will be issued because activities as well as budget will be added.

A model of the subsidy contract is available on the programme website (XXX).

### 6.1.2 Partnership agreement

In order to secure the quality of the implementation of the project, as well as the satisfactory achievement of its goals, the lead partner and the partners have to conclude a partnership agreement. The partnership agreement allows the lead partner to extend the arrangements of the subsidy contract to the level of each partner. Such an agreement should include the following information:

* role and obligations of the individual partners in the partnership in project implementation,
* budgetary principles (partner budget by budget line and spending forecast by six-months period, budget flexibility, if applicable, the arrangements for sharing the national contributions of a partner contracting joint activities and the allocation of the preparation lump sum per partner (if applicable),
* financial management provisions for accounting, reporting, financial control, receipt of ERDF payments,
* liability in case of failures in project delivery and project spending; provisions for changes in the work plan,
* the partner’s financial liability and provisions for the recovery of funds in case of amounts incorrectly reported and received by the partner,
* information and publicity requirements,
* resolution of conflicts in the partnership,
* working language of the partnership.

An example of a partnership agreement is available on the programme’s website (www.interregeurope.eu).

It is recommended that the partnership agreement is prepared as early as possible and that the principles are agreed even before the submission of the project’s application. This helps to shorten the start-up phase of the project once it is approved and to ensure that the partners have a common understanding of the implications of participating in the project both in terms of activities and finances.

Point of attention: only partners having signed the partnership agreement are allowed to report expenditure. The lead partner has to have legal certainty with regard to the liability for any reported expenditure.

## 6.2 Reporting

In order to follow the project implementation and as a basis for the transfer of the ERDF to the project, a **progress report** (and related annexes) has to be submitted periodically to the programme. The progress report is considered as a core document because it represents an important channel of information between the projects and the programme. The progress report includes both activity and financial information related to the project’s implementation.

The progress report is also a main source of information to demonstrate the programme’s achievements and usefulness. In particular, it will provide the raw material to produce the analysis of the programme’s achievements to be included in the annual report to the European Commission.

Projects should therefore not consider the progress report only as an administrative and compulsory task to obtain the ERDF reimbursement but it should be used as a means to communicate and promote the projects’ results and successes.

For the reporting purpose, an OnLine Form system has been set up (OLF). Each lead partner has access to this system through a confidential code sent by the joint secretariat. Each progress report will be submitted to the programme through the OLF. A summary, duly signed by the lead partner and its first level controller, has to be submitted to the programme as well.

### 6.2.1 Reporting periods and deadlines

In principle the progress report covers a period of six months (semester). The dates of the reporting period will be set by the programme depending on the monitoring committee approval.

For phase 1 a progress report (and related annexes) has to be submitted to the programme for each semester. For phase 2 the progress reports (and related annexes) will be submitted on an annual basis, taking into consideration that the activities in phase 2 will be limited and therefore the corresponding expenditure will be much lower than in phase 1.

Example

|  |  |  |  |
| --- | --- | --- | --- |
|  | reporting period | | Deadline for submission |
| Phase 1 | semestrial | 01 February – 30 July  01 August – 31 January | 01. November  01. May |
| Phase 2 | annual | 01 February – 31 January | 01. May  (for the last progress report 31 January) |

Points of attention:

* There may be cases (e.g. integration of pilot actions, decommitment risk on programme level) where the reporting periods of phase 2 will be on a six monthly basis; meaning that the rhythm applied for phase 1 may be continued. The JS will communicate this to the projects in due time.
* For the last progress report, the date for the progress report to arrive at joint secretariat marks also the end date of eligibility. Please study carefully section XX on project closure for further information.

### 6.2.2 Reporting procedures

The reporting procedure for projects can be summarised as follows:

1. Each partner sends a report to the lead partner within the deadlines agreed with the lead partner and ensures that their part of the reported activities and expenditure has been independently verified by a controller in compliance with the country specific requirements for first level control (see also section 5.6). This applies of course also to the lead partner, because the lead partner is at the same time a partner in the project. The report is accompanied by
   * the partner control confirmation,
   * the control report (incl. checklist) and
   * list of expenditure.
2. On the basis of the individual report, the lead partner compiles the joint progress report for the whole partnership.
3. The lead partner confirms that the information provided by the partners has been verified and confirmed by an independent body in compliance with the country specific control requirements, that the partner’s information has been accurately reflected in the joint progress report and that the related costs resulted from implementating the project as planned in the application form and described in the progress report (see also section XX).
4. For the audit trail the lead partner retains the inputs to the progress report received from the partners.
5. The lead partner submits the progress report to the JS. The JS checks the report and if necessary sends clarification requests to the lead partner. Once all points have been clarified, the progress report is approved.
6. The Certifying Authority executes the payment to the lead partner[[14]](#footnote-14).
7. The lead partner transfers the funds to the partners.

Each progress report (as is the project in general) is monitored by two officers from the JS: a project officer for activity related issues and a finance officer for finance related matters. They will provide jointly feedback to the projects on their progress reports.

### 6.2.3 Monitoring of project progress

The progress report (and related annexes) is a core tool to report the progress in the project implementation to the programme. The basic principle of reporting and monitoring is to compare the activities and outputs reported against what was originally planned in the application form. But beyond this minimum requirement, the aim is also to get as much as possible qualitative information on the lessons learnt and results achieved within the project and projects are encouraged to be as precise as possible in the information reported.

In addition to the progress report (and related annexes), the programme will use other tools to monitor the progress of the project implementation on a continuous basis. Among others, the programme will use:

* the project’s website
* interactive communication exchange (e.g. skype, phone conferences)
* meetings (e.g. on site, at the joint secretariat)

Each project is accompanied during its implementation by two officers from the programme’s joint secretariat. One officer focusing on content related issues and one on financial matters.

### 6.2.4 Guidance for reporting

The following points should help projects to provide concise and coherent information in their progress reports.

* **Project summary:**

A particular attention should be paid to the quality and the nature of the information provided in this section since it is published on the INTERREG EUROPE programme website. In particular, the following two points are important:

1. The description provided in this section shall be cumulative: the summary shall bring an overview of project activities from the start of the project until the end of the period of the report.
2. The information shall be content-related and cover main project activities: it should help the reader understand the project and its focus. On the contrary, internal management problems (delays in the project implementation or under spending issues) should not be reported in that section since they are not of interest to the general public.

* **Consistency in the reporting**

For the overall coherence of the report, it is crucial that the information provided for the activities and outputs is fully consistent. In other words, when a specific output is reported, it should be clearly related to the description of the activities of the period. This also means that the terminology used should be consistent throughout the report and in line with the terminology adopted in the application form.

* **Reporting on result indicators**

In order to avoid misinterpretation, lead partners should carefully check the definition of each indicator provided in section XX of the present manual.

The figures reported under the indicator section should be justified as precisely as possible in the report. As this information will be used for the programme evaluation, it has to be reliable.

* **Link between activities and expenditure**

All reported expenditure needs to be in line with the activities carried out for the reporting period. When compiling the progress report, the project has to make sure that for all expenditure included, a link to the activities can be made. For instance, if in the budget line travel & accommodation expenditure is reported, the corresponding meetings are expected to be reported as an activity and output/result (in case of exceptionally reporting delayed expenditure this should be explained as a deviation in the progress report).

* **Partner control confirmations**

It is essential for a smooth reporting that the country specific requirements of each partner are respected. Accordingly each partner and its first level controller have to check on a regular basis the INTERREG EUROPE website to ensure that the latest developments are taken into consideration. Partner control confirmations which do not respect the country specific requirements can significantly delay the monitoring timeline, as they might have to be re-issued and re-submitted.

It is also important to note that the programme cannot accept any amendments/additions to the partner control confirmation. The text has been agreed by the EU Partner States and Norway. The joint secretariat has to gain assurance that the points listed in the confirmation have been checked and therefore can be confirmed by the first level controller. It is not possible to refer to any annexes, side letters etc. Any open points shall be solved with the lead partner and the partners (and their controllers where applicable) before the control confirmation is signed and submitted. The lead partner is therefore advised to check carefully that the partners’ control confirmations are correct, respect the country specific requirements and that the template has not been amended.

## 6.3 Changes in project implementation

### 6.3.1 General principles

All minor changes (e.g. change in contact details, rescheduling of activities, and budget changes within the 20% budget flexibility by budget line and partner, see below) can be reported as ‘deviations’ to the joint secretariat through the progress report. The report has to include a justification of such minor changes, an explanation on their consequence on the project’s implementation and the solution proposed to tackle them and avoid similar deviations in the future, where applicable.

For major changes, in accordance with the subsidy contract, the project is obliged to request approval from the programme. Major changes concern:

* the partnership (e.g. withdrawal, replacement of a partner),
* the core activities of the project,
* the budget of the project (reallocation above the 20% flexibility by budget line and partner , see below),
* the project duration.

Such changes will be formalised through a request for changes procedure. As a basic rule, lead partners should inform the joint secretariat as soon as they are aware of a possible major change in their project.

### 6.3.2 Request for changes procedure

For the above mentioned major changes, a ‘request for change’ has to be filled and submitted to the programme through the OnLine Form system. The ‘request for change’ is provided upon request by the joint secretariat. It can be requested at any time during the implementation of the project. However, unless duly justified, a ‘request for change’ is generally not treated at the same time a progress report is still under clarifications, since the request for change may have an impact on the progress report and may lead to serious delays in the reporting.

The request for change template is based on the latest approved application form and needs to be updated in the respective parts related to the change. Furthermore, the project has to describe the requested change and provide a clear justification for it.

Depending on the nature of the requested changes, a decision on the approval will be taken either by the managing authority/joint secretariat or through a written procedure by the INTERREG EUROPE monitoring committee. The changes enter into force only when the official approval notification letter is sent to the lead partner. If the requested change(s) have an impact on the budget a revised subsidy contract will also be issued.

Projects should be aware that a formal request for change procedure can only be launched during the lifetime of a project. It is not possible to implement a formal request for change procedure after the end date of the project (as indicated in the application form).

### 6.3.3 Changes in activities/outputs

In the application form activities and outputs are described in the work plan for each semester of both phases. Therefore, the work plan represents the road map of the project, and projects should stick to the original plans as much as possible. However, it is understandable that a project is not a static entity and that changes may occur during the process of project implementation. Three types of cases may occur:

* if changes are of minor character (e.g. postponement of a conference, change in the location of the planned workshop) meaning that they will not have an impact on the main objectives of the project and only minor impact on the budget, they can be reported and justified in the progress report (i.e. in the deviations’ section).
* in rarer cases, such as the inclusion or the removal of certain activities with a significant impact on the budget, but with no major effect on objectives and results of the project, changes would require the formal approval of the managing authority/joint secretariat.
* in case changes are of major character and have an impact on the main objectives of the project, they would require the formal approval of the INTERREG EUROPE monitoring committee. Based on the INTERREG IVC experience, this type of request for change remains very exceptional.

For the second and third option, the lead partner has to get in contact with the responsible joint secretariat officers to request a formal change in activities/outputs.

In addition to the above changes, there may be an opportunity to revise the work plan of phase 2 before the end of phase 1. This is for instance the case when the project would request pilot action(s) under phase 2. In any case, the revision of phase 2 would require the formal approval of the monitoring committee.

### 6.3.4 Changes in partnership

The partnership is considered as a core feature of a project and, as such, is officially approved by the INTERREG EUROPE monitoring committee. Therefore, changes in the partnership should be as much as possible avoided and all possible other solutions to solve the problem have to be considered before requesting a partnership change. In any case, partnership changes can only be approved if they are duly justified.

The request for change form differentiates between two cases with regard to a partnership change:

a) Withdrawal of partner(s)

b) Integration of partner(s) (in most cases as a measure to replace a withdrawing partner).

If the withdrawal of one partner in the partnership cannot be avoided, the ideal solution is to find a suitable replacement for the withdrawing partner preferably from the same region/country. The lead partner should always first verify if this option is feasible. It is recommended that the concerned partner gets in contact with its Partner State representatives of INTERREG EUROPE to inform them and try to find a suitable solution.

The other alternative is a pure withdrawal of the partner. In order to minimise the impact on the project, it is recommended in this case that an existing partner (or partners) takes over in full (or partly) the role and activities of the withdrawing partner. As a consequence, this also means that the budget may be partly reallocated.

The integration of a new partner(s) might be necessary at the end of Phase 1. A new partner could be necessary for the implementation of some particular measures (e.g. pilot actions) of the action plans. New partners have to be proposed by the lead partner.

In all cases the requested change has to be clearly explained and justified in the ‘request for change summary’. In addition, all relevant parts of the application form have to be updated; in particular Part B of the ‘application form for changes’ (partnership section) but also all sections where the withdrawing partner is mentioned (e.g. Part D, work plan).

Once the joint secretariat receives the completed request for change form, it will check whether the request for change is acceptable. The joint secretariat will also ask the relevant Partner State Representative to confirm the eligibility of the new integrating partner (if applicable).

A simple change of name of one partner which has no impact on its legal status is not considered under the above described partnership change issues and thus does not require a formal request for change procedure. Nevertheless, the change of name of one partner has to be officially communicated to the joint secretariat (e.g. by updating the contact details of the concerned partner in the progress report).

If specific geographical eligibility rules are applied in a call for proposal, projects approved under that call and requiring a change in partnership have to ensure that the revised partnership still complies with the same rules.

### 6.3.5 Changes in budget

Although the budget is a core element in the application form as approved by the monitoring committee, changes in the budget may become necessary during project implementation. Two cases of budget changes are to be distinguished:

a) **20% budget flexibility by budget line and partner (no prior approval by the managing authority/joint secretariat):** the project is entitled to exceed the budget lines and the partner budgets, as stated in the approved application form, by a maximum of 20% of the original amount. Such changes do not require a formal prior approval by the programme, but are reported and justified through the progress report.

b) **Budget reallocation above the 20% budget flexibility by budget line and partner (prior approval by managing authority/joint secretariat through request for change procedure):** only once during the project implementation, the project is entitled to request the reallocate the budget between budget lines and partners for more than 20% by budget line and/or partner budget. Such reallocation requires the formal approval of the programme through a request for change procedure.

In any case, budget changes are only possible as long as the maximum amount of ERDF and Norwegian funding awarded is not exceeded. It should be noted, that an overspending of an ERDF amount cannot be counterbalanced by the underspending of Norwegian funds.

**Budget changes - examples**

The examples provided below are of arithmetic nature only. In practice, all changes have to be duly justified in the context of the project implementation and in case the added-value of changes cannot be demonstrated, changes could be rejected by the programme.

20 % flexibility rule (provided that the total ERDF/Norwegian funding is not exceeded)

|  |  |  |  |
| --- | --- | --- | --- |
| **Budget line or partner budget** | **Original amount in the approved application form** | **Maximum possible overspending in this line** | **Explanation** |
| Travel and accommodation costs | EUR 180,000 | EUR 36,000 | With the 20% flexibility rule, the original amount for this budget line can be exceeded by a maximum of EUR 36,000. |
| Partner 1 | EUR 220,000 | EUR 44,000 | With the 20% flexibility rule, the original amount for this partner budget can be exceeded by a maximum of EUR 44,000. |

Budget change above 20% flexibility rule (provided that the total ERDF/Norwegian funding is not exceeded)

|  |  |  |  |
| --- | --- | --- | --- |
| **Budget line or partner budget** | **Original amount in the approved application form** | **New budget proposed by the project** | **Explanation** |
| Travel and accommodation costs | EUR 180,000 | EUR 220,000 | Any budget increase above EUR 36,000 is no longer covered by the 20% flexibility rule, hence an official budget change has to be requested. |
| Partner 1 | EUR 220,000 | EUR 300,000 | Any budget increase above EUR 44,000 is no longer covered by the 20% flexibility rule, hence an official budget change has to be requested. |

**Points of attention**

* After a budget reallocation above the 20% budget flexibility as described in section b), the budget can again be subject to changes within the limits of the flexibility rule described under section a).
* The project’s spending forecast cannot be modified unless the total budget or the ERDF budget of the project changes through a request for change procedure. Furthermore the spending forecast cannot be amended for past reporting periods.
* Besides this, modifications in the equipment budget line remain exceptional. In order to be sure that the additional equipment costs will be accepted, projects are therefore requested to consult the joint secretariat before using the flexibility rule for reallocating budget to the budget line “Equipment costs”. The joint secretariat will then confirm whether the additional costs to be reported in the equipment budget line are eligible and can be reported in the progress report.
* Financial implication due to formal changes in the partnership or in activities / outputs (through a request for change procedure) are not considered as a “budget change”. Those budget modifications (e.g. reduction of the overall budget in case a partner withdraws) are considered as a consequence of the initial change.

### 6.3.6 Extension of project duration

In exceptional cases, the managing authority / joint secretariat may approve an extension of project duration (within the limits of the programme’s deadline). However, in principle, an extension of project duration should not be needed given the specific nature of phase 2. In case some partners are late in the delivery of their action plan in phase 1, their respective phase 2 would then be shortened accordingly.

It is therefore extremely important that partners carefully check the time needed to complete phase 1 in the best conditions. The joint secretariat will closely monitor the completion of phase 1 through progress reports, on-going contact with the lead partner and a possible review meeting towards the end of phase 1.

## 6.4 Project closure

The following sections provide information on the closure of projects.

### 6.4.1 Eligibility of expenditure end date and activities’ finalisation

The end date is the **date by which**

* **all the project activities must have been completed (incl. all activities related to the administrative closure of the project such as first level control)**
* all payments must have been done
* **the last progress report and the final report have to be submitted** to the joint secretariat.

**Any expenditure (including costs linked to project closure) incurred, invoiced or paid after the official project end date is ineligible**.

Points of attention

* It is essential that no content related activities are scheduled close to the end date of the project. The administrative closure (last payments, preparation of the last progress report and final report, first level control) often requires more time than expected. In fact, the last 3 months of the project should be exclusively dedicated to the administrative closure. For example, the last project meeting should therefore also be scheduled at latest 3 months before the project end date.
* Even if in justified cases, the deadline for the submission of a progress report is extended, this does not impact the eligibility end date. For example in the case of a project, the official project end date by when the activities have to be finalised and the last progress report and final report have to be submitted is 31/01/2017. The project is granted an extension of two weeks for the submission of the last progress report/final report. This would still mean, that the eligibility of activities and expenditure ends on 31/01/2017.
* Not only the expenditure must be paid out by this date but also that the activity must have been finalised. This is in particular important for the expenditure linked to the first level control. It is **not** possible to advance payments for the first level controller and to have the actual checks (activity) carried out after the project end date.
* Planning enough resources for the project closure is another important key factor which should be taken into consideration already at the planning stage of the project. Projects can face severe delays before closure if the lead partner and projects partners do not allocate sufficient resources in terms of time and staff. It is recommended to establish a timetable to clearly define by when partners are expected to submit relevant documents and information to the lead partner. This timetable should to be closely monitored by the lead partner.

### 6.4.2 Obligations for closed projects

According to Regulation (EU) No 1303/2013 Article 140, each partner institution has to **archive documents** related to the project implementation for a minimum period. This period will be communicated to the projects with the closure notification letter. This period might be interrupted in duly justified cases and will resume after this interruption. Upon request by the programme, the Commission or the Court of Auditors, the documents have to be made available. For the archiving of the documents the following rules apply:

* The documents have to be kept either in the form of the originals or certified true copies of the originals or on commonly accepted data carriers including electronic versions of original documents or documents existing in electronic version only.
* The procedure for certification of conformity of documents held on commonly accepted data carriers with the original document, have to be laid down by the national authorities and shall ensure that the versions held comply with national legal requirements and can be relied on for audit purposes.
* Where documents exist in electronic form only, the computer systems used have to meet accepted security standards that ensure that the documents held comply with national legal requirements and can be relied on for audit purposes.

Other, possibly longer statutory archiving periods, as required by national law, remain unaffected from the rules mentioned above. This means, for example, if the national law requires archiving for 10 years, then the project documents have to be archived for 10 years.

# 7. Financial management

## 7.1 Eligibility of Expenditure - General principles

There are different levels of eligibility rules regarding expenditure:

* the European level: EU regulations
* the programme level: specific rules decided for the INTERREG EUROPE programme
* the national level: national rules applicable in each Partner State
* the partner institutional level: internal rules applicable to each partner organisation

Generally speaking, to be eligible at project level, costs must:

* relate to activities foreseen in the application form, be necessary for carrying out these activities and achieve the project’s objectives and be included in the estimated budget,
* be reasonable, justified, consistent with the usual internal rules of the partner, the EU, programme and national rules and in accordance with the principles of sound financial management,
* be identifiable, verifiable, plausible and determined in accordance with the relevant accounting principles,
* be incurred and paid by the partner organisation, debited from its bank account no later than the project end date, be substantiated by proper evidence allowing identification and checking.

In case of expenditure being reimbursed on the basis of a lump sum or flat rate, the latter two principles do not apply.

## 7.2 Budget lines

The following sections provide an overview on the eligibility principles for the different budget lines applicable in the programme:

* staff,
* administration,
* travel and accommodation,
* external expertise and services,
* equipment.

For each budget line, a definition is provided as well as guidance for budgeting and reporting. Projects have to study the information here carefully when preparing their application and later on their progress reports.

### 7.2.1 Staff costs

**Definition**

Staff costs consist of costs for staff members employed by the partner organisation, as listed in the application form and working full time or part time on the implementation of the project.

Staff costs cover the partner organisation’s gross employment costs, which usually comprise the following:

* Salary payments (fixed in an employment/work contract)
* Other costs directly linked to salary payments paid and not recoverable by the employer:
  + Employment taxes
  + Social security (including health coverage and pension contributions)

Staff costs relate to the costs of activities that the relevant partner would not carry out if the project concerned was not undertaken.

Overheads and any other office & administrative expenditure cannot be included in this budget line.

The following option for staff costs are eligible in this programme:

* real costs.

In the following sections more details and information are provided.

#### 7.2.1.2 Staff costs calculated on a real cost basis

**Key principles**

Staff costs must be calculated individually for each employee. They are taken from the payroll accounts and include the employee’s total gross remuneration and the employer’s contribution of social charges (provided that they are not recoverable by the employer). In accordance with the personnel policy of the partner organisation, costs such as bonuses, fuel, lease car, relocation benefits, lunch vouchers etc. can be fully or partly claimed after calculating the eligible share for the project.

Within the real cost option for staff costs three different cases may be faced:

1. Person employed by the partner organisation, and working **fully** on the project
2. Person employed by the partner organisation, working **partly** for the project on a **fixed** percentage
3. Person employed by the partner organisation, working **partly** for the project on a **flexible** percentage

Within the same partner organisation, the three cases and related calculation methods may co-exist if several people are working on the same project, however with different working contracts and time involvement in the project.

For each of these cases, one specific methodology of calculation shall be followed, as explained below.

1. **Person employed by the partner organisation, and working fully on the project**

**Key principles**

Staff costs shall be calculated as follows:

* The employee’s total monthly gross employment cost (incl. employer’s social charges) can be claimed;
* A document clearly setting out 100% of time to be worked on the project (it can be the employment contract and/or any other document issued by the employer like a ‘mission letter’, please see grey box below for more information on this);
* No separate working time registration (“timesheet”) is needed.

**Example**

|  |  |  |
| --- | --- | --- |
| A | Total monthly salary costs (gross salary and employer’s social charges) | 5,000 € |
| B | Percentage of time worked monthly on the project | 100% |
| C | Eligible costs : (A \* B) | 5,000 € |

**Supporting documents for the verification of the expenditure (first level control)**

The following documents have to be provided to the first level controller to support the eligibility of the costs:

* Employment contract or any other equivalent legal agreement that permit the identification of the employment relationship with the partner’s organisation;
* A document clearly showing that the employee works 100% of the time on the project (it can be the working contract and/or any other document issued by the employer like a ‘mission letter’, please see grey box below for more information on this);
* Document identifying the real salary costs (gross salary and employer’s social charges) for the employee, such as pay slips or other accounting documents where the employment costs are clearly detectable;
* Proof of payment.

Document setting out the fixed percentage worked on the project (employment contract or mission letter or equivalent)

With regard to the staff costs for persons working **on the project** with a **fixed percentage** (100% or less), a document is required that clearly indicates the expected percentage of the employee’s working time to be dedicated to the project. The following points have to be respected in relation to this document to prove the plausibility of the time allocation:

* The document is issued for the specific employee at the beginning of the period to which it applies.
* It is dated and signed by the employee and a superior.
* It has to contain the percentage of time expected to be dedicated to the project per month and a description of the project-related role, responsabilities and monthly tasks that are assigned to the employee in question and that give sufficient evidence for the time allocation.
* The time allocation and description of tasks are reviewed on a regular basis (eg. annually on the occasion of the staff appraisal) and adjusted if needed (e.g. due to changes in tasks and responsabilities).

1. **Person employed by the partner organisation, working partly on the project on a fixed percentage**

**Key principles**

Staff costs shall be calculated as follows:

* A fixed percentage of the gross employment cost (incl. employer’s charges), in line with a fixed percentage of time worked on the project per month;
* A document clearly setting out the percentage of time to be worked by the employee on the project per month (it can be the employment contract and/or any other document issued by the employer like a ‘mission letter’, please see grey box above for more information on this);
* No separate working time registration (“timesheet”) is needed.

**Example**

|  |  |  |
| --- | --- | --- |
| A | Total monthly salary costs (gross salary and employer’s social charges) | 5, 000 € |
| B | Fixed percentage of time worked monthly on the project | 60% |
| C | Eligible costs : (A \* B) | 3,000 € |

**Supporting documents for the verification of the expenditure (first level control)**

The following documents have to be provided to support the eligibility of the costs when reporting to the programme:

* Employment contract or any other equivalent legal agreement that permit the identification of the employment relationship with the partner’s organisation;
* A document setting out the percentage of time to be worked on the project per month (it can be the employment contract and/or any other document issued by the employer, clearly identifying the fixed percentage of monthly time dedicated to the project, see grey box above);
* Document identifying the real salary costs (gross salary and employer’s social charges) for the employee, such as pay slips or other accounting documents where the employment costs are clearly detectable;
* Proof of payment.

1. **Person employed by the partner organisation, working partly on the project on a flexible percentage**

**3.a Calculation based on the contractual hours as indicated in the employment contract**

**Key principles**

Staff costs shall be calculated as follows:

* A flexible share of the gross employment cost (incl. employer’s social charges), in line with a number of hours varying from one month to the other worked on the project;
* A time registration system (“timesheet”) is required and must cover 100% of the working time of the employee (including the working time not related to the project);
* An hourly rate shall be calculated by dividing the monthly gross employment cost by the number of hours per month as per employment contract. The hourly rate shall then be multiplied by the number of hours actually worked on the project.[[15]](#footnote-15)

**Example for the hour**

|  |  |  |
| --- | --- | --- |
|  | **1/ STARTING POINT** | |
| A | Total monthly salary costs (gross salary and employer’s social charges) | 5,000 € |
|  | **2/ CALCULATION OF HOURLY RATE** | |
| *B* | *Number of working hours per working day according to the employment contract (weekly working hours divided by 5 working days)* | *8 hours* |
| *C* | *July 2014: number of workable days (any public/bank holidays\* are subtracted)* | *22 days* |
| D | Number of workable hours in July 2014 (B \* C) | 176 hours |
| *E* | *Number of annual holidays (days) according to employment contract* | *30 days* |
| *F* | *Number of monthly holidays (days) according to employment contract (E / 12 months)* | *2.5 days* |
| G | Number of monthly holidays (hours) according to employment contract (B \* F) | 20 hours |
| H | Monthly working time, excluding holidays (D – G) | 156 hours |

\* bank/public holidays refer to days like 01 May, 01 January or Christmas Day.

|  |  |  |
| --- | --- | --- |
|  | **3/ HOURLY RATE** | |
| I | Hourly rate for July 2014 (A / H) | 32.05 € |

|  |  |  |
| --- | --- | --- |
|  | **4/ NUMBER OF HOURS WORKED (based on timesheet)** | |
| J | Total number of hours worked on the project during the month of July | 100 |

|  |  |  |
| --- | --- | --- |
|  | **5/ ELIGIBLE COST FOR THE WORKED HOURS ON THE PROJECT** | |
| K | Eligible cost (I \* J) | 3,205 € |

**Supporting documents for the verification of the expenditure (first level control)**

Following documents have to be provided to support the eligibility of the costs when reporting to the programme:

* Employment contract or any other equivalent legal agreement that permit the identification of the employment relationship with the partner’s organisation;
* Document identifying the monthly or weekly working time and number of holidays per employee such as the employment contract or other internal document of equivalent value;
* Document identifying the real monthly salary costs (gross salary and employer’s social charges) for the employee, such as pay slips or other accounting documents where the employment costs are clearly detectable;
* Proof of payment;
* Document showing the calculation of the hourly rate;
* Registration of the monthly working time covering 100% of the working time of the employee and identifying the time spent on the project: timesheet or equivalent time recording system.

**3.b Calculation based on dividing the latest documented annual gross emplament costs by 1,720 hours**

**Key principles**

Staff costs shall be calculated as follows:

* A flexible share of the gross employment cost (incl. employer’s social charges), in line with a number of hours varying from one month to the other worked on the project;
* A time registration system (“timesheet”) is required and must cover 100% of the working time of the employee (including the working time not related to the project);
* An hourly rate shall be calculated by dividing the latest employment cost by the number of hours per month as per employment contract. The hourly rate shall then be multiplied by the number of hours actually worked on the project.

**Example for a reporting period running from July to December**

|  |  |  |
| --- | --- | --- |
|  | **1/ STARTING POINT** | |
| A | Total annual\* salary costs (gross salary and employer’s social charges) | 50,000 € |
|  | **2/ CALCULATION OF HOURLY RATE** | |
| B | Number of working hours according to the Regulation (EU) 1303/2013, Article 68(2)\*\* | 1,720 hours |

\* annual salary costs = costs of the 12 months preceding the last month of the reporting period. If no annual salary costs are available (employee employed for less than 12 months) a pro rata can be applied.  
 \*\*No further amendments to be made to the number of hours (holidays etc. are already considered).

|  |  |  |
| --- | --- | --- |
|  | **3/ HOURLY RATE** | |
| B | Hourly rate for July 2014 (A / B) | 29.07 € |

|  |  |  |
| --- | --- | --- |
|  | **4/ NUMBER OF HOURS WORKED (based on timesheet)** | |
| C | Total number of hours worked on the project during the month of July | 100 |

|  |  |  |
| --- | --- | --- |
|  | **5/ ELIGIBLE COST FOR THE WORKED HOURS ON THE PROJECT** | |
| D | Eligible cost (B \* C) | 2,907 € |

**Supporting documents for the verification of the expenditure (first level control)**

Following documents have to be provided to support the eligibility of the costs when reporting to the programme:

* Employment contract or any other equivalent legal agreement that permit the identification of the employment relationship with the partner’s organisation;
* Document identifying the latest annual salary cost (gross salary and employer’s social charges of the past 12 months reference period) for the employee, such as pay slips or other accounting documents where the employment costs are clearly detectable;
* Proof of payment;
* Document showing the calculation of the hourly rate;
* Registration of the monthly working time covering 100% of the working time of the employee and identifying the time spent on the project: timesheet or equivalent time recording system.

Points of attention:

* The latest annual gross employment cost does not necessarily refer to the calendar year. The latest available data from a period of one year (12 consecutive months) must be used to calculate the hourly rate. data from July 2015 - June 2016 is used for the reporting period January - June 2016 and data from January-December 2016 (if available) is used for the reporting period July-December 2016. No recalculation of the previous period is needed nor recommended (source of error).
* in case of an employee where the latest annual salary costs is not available, it is possible to take the actual months of employment to calculate the annual salary costs. For example if an employee has only been employed for 3 months, the actual employement cost for 3 months is multiplied by 4 to obtain the annual salary cost.

### 7.2.2 Office and administrative expenditure

**Definition**

Office and administrative costs cover general administrative expenses of the partner organisation necessary for the delivery of project activities.

Based on Article 68 (1) (b) of Regulation (EU) No 1303/2013, office and administrative expenditure are to be budgeted and reported as a **flat rate of 15% of each partner’s staff costs**.

According to Commission Delegated Regulation (EU) No 481/2014 Article 4, office and administrative expenditure are limited to the following items:

* office rent;
* insurance and taxes related to the buildings where the staff is located and to the equipment of the office (e.g. fire, theft insurances);
* utilities (e.g. electricity, heating, water);
* office supplies (e.g. stationary like paper, pens etc.);
* general accounting provided inside the beneficiary organisation;
* archives;
* maintenance, cleaning and repairs;
* security;
* IT systems (e.g. administration and management of office hard- and software);
* communication (e.g. telephone, fax, internet, postal services, business cards);
* bank charges for opening and administering the account or accounts where the implementation of an operation requires a separate account to be opened;
* charges for transnational financial transactions.

**Key principles**

No detailed budget has to be planned for the budget line ‘office and administrative expenditure’, the application form will automatically calculate a budget corresponding to 15% of the planned staff costs for each partner.

When it comes to reporting office and administrative expenditure, the flat rate of 15% is automatically applied to the actually eligible reported staff costs of each project partner.

**Example**

|  |  |  |
| --- | --- | --- |
| A | Eligible reported staff costs | EUR 36,000 |
| B | Flat rate for office and administrative expenditures | 15% |
| C | Eligible reported office and administrative expenditures (automatic reporting without proof of actual costs) (A\*B) | EUR 5,400 |

**Supporting documents for the verification of the expenditure (first level control)**

Project partners do not need to provide any justification or supporting documents. Project partners thus also do not need to document that the expenditure has been incurred and paid or that the flat rate corresponds to the reality. The FLC check focuses on the correct reporting of the staff costs and that no expenditure related to the office and administrative budget line is included in any other budget line.

**Points of attention**

* In case a contract with an external expert also includes administration charges, these costs must be included in the budget line “External expertise and services costs” as they are a part of the expertise contract.

### 7.2.3 Travel and accommodation

**Definition**

This budget line concerns the travel and accommodation costs of staff employed by a project partner officially listed in the application form.

**Key principles**

According to the Commission Delegated Regulation (EU) No 481/2014 Article 5, expenditure on travel and accommodation costs shall be limited to the following elements:

1. travel;
2. meals;
3. accommodation;
4. visa;
5. daily allowances.

Any element listed in points (a) to (d) covered by a daily allowance shall not be reimbursed in addition to the daily allowance.

The following general principles must be respected:

* Costs must be definitely borne by the partner organisation. Direct payment by an employee must be supported by a proof of reimbursement from the employer;
* Real costs and daily allowances must be in line with the specific national or institutional rules applicable to partner organisation. In the absence of national or internal rules on daily allowances, real costs apply;
* Normally, travel and accommodation costs should relate to trips undertaken within the programme area. However, trips to places outside the programme area are eligible if they are explicitly mentioned and justified in the application form. In case of trips outside the programme area that are not foreseen in the application form, a specific request needs to be submitted by the lead partner to the joint secretariat for validation in advance.

**Supporting documents for the verification of the expenditure (first level control)**

The following documents must be available for control purposes:

* Agenda (or similar) of the meeting/seminar/conference;
* Documents proving that the journey took actually place (boarding passes or participant lists etc.);
* Paid invoices (including hotel bills, transportation tickets, etc.) and, if applicable, the employee’s expense report with a proof of reimbursement by the employer to the employee;
* Daily allowance claims (if applicable), including proof of reimbursement by the employer to the employee.

**Points of attention**

Travel and accommodation expenses related to individuals other than staff directly employed by the beneficiaries of the project (members of the stakeholder groups but also consultants, experts, observers), have to be included under the ‘external expertise and service’ budget line.

### 7.2.4 External expertise and services

**Definition**

External expertise and service costs include expenditure paid on the basis of contracts or written agreements, against invoices or requests for reimbursement to external service providers who are subcontracted to carry out certain tasks/activities linked to delivery of the project (e.g. studies and surveys, translation, website development, coordination, financial management, first level control).

According to the Commission Delegated Regulation (EU) No 481/2014 Article 6, expenditure on external expertise and service shall be limited to the following services and expertise provided by a an organisation other than the project partner:

* studies or surveys (e.g. evaluations, strategies, concept notes, design plans, handbooks);
* training;
* translations;
* IT systems and website development, modifications and updates;
* promotion, communication, publicity or information linked to a project or to a cooperation programme as such;
* financial management;
* services related to the organisation and implementation of events or meetings (including rent, catering or interpretation);
* participation in events (e.g. registration fees);
* legal consultancy and notarial services, technical and financial expertise, other consultancy and accountancy services;
* intellectual property rights (see also section XX);
* verifications under Article 125(4)(a) of Regulation (EU) No 1303/2013 and Article 23(4) of Regulation (EU) No 1299/2013 (i.e. first level control costs);
* certification and audit costs on programme level under Articles 126 and 127 of Regulation (EU) No 1303/2013;
* the provision of guarantees by a bank or other financial institution where required by Union or national law or in a programming document adopted by the monitoring committee;
* travel and accommodation for external experts, speakers, chairpersons of meetings and service providers;
* other specific expertise and services needed for operations.

**Key principles**

External expertise and services costs are connected to the implementation of certain project tasks that cannot be carried out by the project partners themselves (mainly due to the lack of internal resources) and therefore are outsourced to external service providers.

The work of external service providers is necessary for the project and should be foreseen in the application form. External expertise and services costs have to be paid on the basis of:

* Contracts or other written agreements of equivalent probative value,
* Invoices or requests for reimbursement of equivalent probative value.

All applicable EU, national and internal public procurement rules must be respected. Even below EU thresholds, contracts with external providers must comply with the principles of transparency, non-discrimination, equal treatment and effective competition (see also section XX on public procurement).

**Supporting documents for the verification of the expenditure (first level control)**

The following documents must be available for control purposes:

* Evidence of the selection process, in compliance with the applicable EU, national and internal public procurement rules. Any changes to the contract must comply with the public procurement rules and must be documented,
* A contract or other written agreements of equivalent probative value laying down the services to be provided with a clear link to the project,
* An invoice or a request for reimbursement providing all relevant information in line with the applicable accountancy rules,
* Proof of payment,
* Outputs of the work of external experts or service deliverables.

**Points of attention**

* The travel and accommodation costs for members of the stakeholder groups have to be budgeted and reported under external expertise costs.
* Project partners cannot contract one another in the framework of the same project. This is due to the fact that the roles of project partner and service provider are different and not compatible: a project partner is required to cooperate with the other partners in the delivery of the project against partial reimbursement of ERDF; a provider delivers services/goods against payment and in compliance with the applicable public procurement rules. If a project partner cannot implement a certain task, the task may be reallocated to another partner or procured from an external service provider.
* Subcontracting in-house or other affiliated companies must be done on a real costs basis and reported in:
  1. Each relevant budget line, according to the nature of service provided, as far as the reporting requirements applicable to the budget lines are fulfilled. For instance, in case of an internal audit department carrying out first level control, time spent on checking the claims shall be reported as staff costs, provided that the rules applicable to staff costs are fulfilled.
  2. External expertise and services budget line, if a service is provided by an internal service inside a different legal entity. In this case, the relevant public procurement rules have to be complied with.
* Advance payments may only be accepted if they are supported by an invoice or another document of probative value. The corresponding activity must have taken place (and been verified by the first level controller) by the end date of the project at the latest.
* The costs of services contracted by project partners for arranging the travel and accommodation of their own staff members (e.g. travel agencies, etc.) shall be claimed under the budget line ‘travel and accommodation’.
* Costs for external expertise and services should not exceed 50% of the total project budget, considering that the beneficiaries of the project’s work should be the actual project partners.

### 7.2.5 Equipment

**Definition**

Expenditure for the financing of equipment purchased, rented or leased by a partner, necessary to achieve the objectives of the project. This includes costs of equipment already in possession by the partner organisation and used to carry out project activities.

According to the Commission Delegated Regulation (EU) No 481/2014 Article 7 equipment expenditure is limited to the following items:

* office equipment;
* IT hardware and software;
* furniture and fittings;
* laboratory equipment;
* machines and instruments;
* tools or devices;
* vehicles;
* other specific equipment needed for operations.

**Key principles**

Costs of equipment are eligible if they have been approved through the application form by the programme. Normally, only planned equipment is eligible for funding. Unplanned equipment can be eligible for funding only in exceptional cases and needs to be agreed with the joint secretariat.

Considering the nature of INTERREG EUROPE project activities, the focus of this budget line is on office equipment for project management purposes. Usually, not more than EUR 5,000 - 7,000 per project is budgeted/spent.

Equipment items can only be funded by the programme, if no other EU funds have contributed towards the financing of the planned equipment. Equipment has to be purchased in respect of public procurement rules.

When reporting expenditure for equipment the following points need to be considered:

* If the equipment is used solely for the purpose of the project and was incurred and paid within the eligible period, the full purchase cost of the equipment should be reported.
* If the equipment has been purchased before the project approval, a pro rata depreciation shall be applied. Only the value of the depreciation incurred during the project timeframe is eligible.
* If the equipment has been purchased during the project lifetime but the depreciation plan is longer than the project duration, a pro rata depreciation shall be applied. Only the value of the depreciation incurred during the project timeframe is eligible.
* If non-depreciable equipment (e.g. low-value asset) has been purchased, the full purchase cost of the equipment should be reported.
* If the equipment is rented or leased, depreciation does not apply, i.e. full cost is reported.
* If the equipment has been purchased by the partner organisation, but is used only partially for the project, only the share related to the use of the equipment for the project shall be reported. This share has to be calculated according to a justified and equitable method in line with legislation or general accounting policy of the partner organisation.

For example if a laptop for the project management is purchased in the second half of the project, only the share for the remaining project implementation can be reported. Similarly, in case a staff member works on two projects eg. with an equal share of 50% and uses the equipment item (eg. laptop) also equally for both projects, only 50% of the equipment costs can be reported on each side.

* If the equipment represents an important part of the project result the full cost of the item can be reported, even if the item was purchased towards the end of the project duration.

**Supporting documents for the verification of the expenditure (first level control)**

The following documents must be available for control purposes:

* Evidence of compliance with the applicable EU, national and internal procurement rules,
* Invoice (or a supporting document having equivalent probative value to invoices, in case of depreciation) providing all relevant information in line with the applicable accountancy rules,
* Calculation of depreciation in compliance with the applicable national schemes,
* Proof of payment.

**Points of attention**

* Rented equipment: any equipment necessary for the content related implementation of the project needs to be budgeted and reported in this budget line. Renting costs for equipment do not fall under the budget line ‘external expertise and services costs’.
* Second hand equipment: costs of second-hand equipment may be eligible under the following conditions:
  1. no other assistance has been received for it from the European Structural and Investment Funds;
  2. its price does not exceed the generally accepted price on the market in question;
  3. it has the technical characteristics necessary for the project and complies with applicable norms and standards.

## 7.3 Preparation Costs

Based on Article 67 (1) (c) of Regulation (EU) No 1303/2013, preparation costs are fixed in form of a **lump sum of EUR 15,000** (equals in ERDF /Norwegian funding: EUR 12,750 (85%) and EUR 7,500 (50%)) for approved projects.

This amount will be automatically included in the lead partner budget at the application stage. With the first progress report the EUR 15,000 preparation costs lump sum will be added to the reported lead partner expenditure and the corresponding ERDF / Norwegian funding will be paid by the programme after approval of the progress report.

Point of attention:

In order to keep the administrative work for preparation costs as little as possible, the lump sum of preparation costs is allocated to the lead partner budget. Nevertheless, the partnership should share the prepration costs, reflecting the partners’ involvement in the preparation of the application form in fair and transparent way. The details on how to share the preparation costs has to be included in the partnership agreement.

## 7.4. Other budget and eligibility rules

### 7.4.1 VAT

In accordance with Regulation (EU) 1303/2013 Article 69 (3), VAT is not eligible except in the case of VAT non-recoverable under national VAT legislation. In practice, if a partner can recover VAT (independent of the question if he actually does or not), all expenditure reported to the programme has to be reported without VAT.

### 7.4.2 Fines, financial penalties and expenditure on legal disputes and litigation, exchange rate fluctuation, interest on debt

Fines, financial penalties and expenditure on legal disputes and litigation, as well as interest on debt are **not eligible** in accordance with Regulation (EU) 1303/2013 Article 69 (3) and Delegated Regulation (EU) 481/2014 Article 2 (2)

Also, costs related to fluctuation of foreign exchange rate are **not eligible**.

### 7.4.3 Contributions in kind

In the INTERREG EUROPE programme, contributions in kind, i.e. provision of works, goods, services, land or real estate for which no cash payment has been made (e.g. unpaid voluntary work) are **not eligible**.

Staff costs for personnel working in one of the partner institutions (officially listed in the application form) on the basis of an employment contract and receiving a regular salary do not count as in-kind contribution, but as a cash contribution, since staff costs are actually paid by the partner institution.

### 7.4.4 Revenues

In accordance with Regulation (EU) 1303/2013 Article 61, if a project generates revenue for example through services, conference participation fees, sales of brochures or books, it must be deducted from eligible costs in full or pro-rata depending on whether it was generated entirely or only partly by the co-financed project. The ERDF funding is calculated on the basis of the total cost after deduction of any revenue.

The deduction of revenues applies to projects whose total eligible costs exceed EUR 1,000,000.

### 7.4.5 Expenditure already supported by other EU or other national or regional subsidies

Expenditure which is already co-financed from another EU-funding source or a national or regional subsidy is not eligible in the context of an INTERREG EUROPE project (double-financing).

In the case of a partial subsidy by national or regional sources, the activities and related costs can be considered as eligible to INTERREG EUROPE only if the national or regional subsidy does not exceed the national financing share for that expenditure (15 or 25% depending on the legal status of the partner). In this case, the national or regional funding institution should also be notified to ensure compatibility.

### 7.4.6 Public procurement

During the implementation of a project, virtually all project partnerships buy goods and services externally. For example, external auditors are hired to carry out the first level control, a project, finance and communication manager is hired to assist the lead partner with the organisational and administrative aspects of project implementation, catering and technical equipment for conferences and meetings is ordered etc. Whenever purchases are made and contracts are awarded to external suppliers, the public tendering principles must be observed. Three levels have to be taken into consideration:

* the EU public procurement directives
* national rules
* internal rules of the partner organisation

The public procurement rules define the tendering and publicity procedures applicable to different threshold values. Each contract should be awarded on the basis of objective criteria which ensure compliance with the principles of transparency, non-discrimination and equal treatment and which guarantee that tenders are assessed under the conditions of effective competition.

Be aware that these fundamental principles also apply for purchases and subcontracted activities below the threshold values. Basically, below and above the thresholds the main difference for public contracts is the degree of publicity and formality of the tendering procedure: EU wide tender vs tender announced in national/regional media, request for three offers (‘bid-at-three’) etc.

Central to ensuring adherence to the public tender rules is the documentation, which usually consists of the following:

* Terms of reference (sufficiently specified, including clear information to candidates on award and weighting criteria);
* Request for offers or procurement publication/notice;
* Offers/quotes received;
* Report on assessment bids (evaluation/selection report) incl.
* justification for the procedure chosen in the light of the identified needs,
* evaluation of the offers in the light of the previously announced award and weighting criteria;
* Letters of acceptance and rejection;
* Contract, including any amendments and/or renewals (with evidence that these did not modify the economy on the market and that there was no modification of the object of the initial contract);
* Evidence that the payments made match with the contract (invoices and proof of payment);
* Proof of delivery of goods or services.

**Points of attention**

* Public procurement rules and principles are applicable to all public authorities and bodies governed by public law and therefore also apply in the context of their participation to an INTERREG Europe project.
* Private non-profit bodies participating in an INTERREG Europe project also have to be able to prove how they awarded project related contracts in compliance with these principles.
* Evidence that the choice made regarding publicity requirements (sufficient degree of advertising) is in compliance with the EU Directives and the national applicable legislation (depending on the thresholds) has to be available. Project partners shall keep a record of every step of the public procurement procedure for first level control and audit purposes.
* The greater the interest of the contract to potential bidders from other Partner states, the wider the coverage should be. So depending on the nature of the services and goods. an EU-wide advertising may be advised even if the value of the contract is below the EU-threshold.
* The applicable tendering procedure changes are applied according to the contract value. When calculating the value of a contract, the maximum total amount that may be paid during the entire contract period (incl. renewal periods) needs to be estimated.
* When establishing the contract value, the project partner has to take into consideration all (potential) contracts of the same type that the partner organisation has implemented or will implement during the financial year.
* A procurement may not be divided into several smaller procurements with the purpose of fitting them individually into the value range applicable to direct awards.
* If a direct award procedure is used for reasons of urgency, it has to be proven that the urgency is due to unforeseeable circumstances. Insufficient planning by the project partner does not justify to award directly.
* If a direct award procedure is used for technical /exclusivity reasons, it must have been ruled out that any other supplier than the one being contracted is capable of providing the requested services. This elimination procedure must be based on objective criteria. With regard to project management services for example, a direct award of procedure for technical reasons/exclusivity cannot usually not be justified. The fact of having worked already with a certain external provider in the past, having been satisfied by the work quality and wanting to benefit from the knowledge the provider acquired thanks for having worked with the partner organisation in the past and on similar subjects does not represent sufficient justification for a direct award. If objective proofs do not exist, an open tender still has to be organised. Its outcome will then prove if there is really no equivalent alternative on the market.

Projects which cannot prove that award of contracts are in compliance with public tendering procedures risk losing their ERDF grant. Due to the complexity of public procurement matters, project partners are invited to work closely with their legal department to ensure the compliance of awarded contracts with EU, national and internal public procurement rules.

### 7.4.7 Financing of joint activities

As a principle recommendation projects are advised to share tasks and not costs. Experience has shown that it is much more efficient to allocate tasks, which are for the common benefit of all project partners (project management, project dissemination events etc.), equally among the partnership instead of sharing the costs for those tasks. It is nevertheless possible to also share costs between the partners, but a contracting-partner-only- principle applies to the budgeting and reporting of these costs. In practice this means that:

* the contracting partner is the only one that budgets, actually pays and reports the cost item of joint benefit and receives the related ERDF.
* the partnership can internally decide to share the national financing for that expenditure item, however, it does not enter the partners’ reports. It is nevertheless advised to agree upon the procedures and the shares of such contributions in the partnership agreement.

Points of attention

* The sharing of the national financing with the partners, reduces the share of national financing that the contracting partner can receive from its national / regional sources (the relevant funding bodies have to be informed to avoid double-financing).
* Attention should be paid to partners that receive financing from other national or regional sources. Considering that the payment of the share of the national financing to the contracting partner does not enter the other partners’ reports, usually means that they do not receive any reimbursement from their national/regional sources for this payment to the contracting partner. Such specific circumstances show why it is much more beneficial for projects to share tasks and not costs.

### 7.4.8 Use of the euro and exchange rate for partners located outside the euro zone

All financial reporting and project follow-up will be in euro. Expenditure has to be reported to the joint secretariat in euro. The programme will pay all ERDF and Norwegian funds also in euro.

In accordance with Regulation (EU) 1299/2013 Article 28, partners located outside the euro zone will have to convert their expenditure from their national currency into euro. **They will have to use the exchange rate of the Commission in the month during which the expenditure was incurred.** The monthly exchange rates of the Commission are published on: <http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm>

**Examples**

|  |  |  |
| --- | --- | --- |
| **Partner located** | **Expenditure incurred in** | **Exchange rate to apply** |
| Outside the euro zone | Euro | No conversion. The expenditure is already in euro. |
| Outside the euro zone | other currency | [Exchange rate of the Commission](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) in the month during which the expenditure was incurred. |

For partners located inside the euro zone incurring expenditure in another currency internal rules apply.

|  |  |  |
| --- | --- | --- |
| **Partner located** | **Expenditure incurred in** | **Exchange rate to apply** |
| Inside the euro zone | Euro | None. The expenditure is already in euro. |
| Inside the euro zone | other currency | Institutional (internal) rules apply. |

### 7.4.9 Gifts and promotional material

*To be developed.*

### 7.4.10 Ownership of results and intellectual property rights

As a general principle and in the spirit of cooperation and exchange in INTERREG EUROPE, project results (e.g. studies, policy recommendations, good practice guides) are expected to be freely available for the public. A wide dissemination of project outputs amongst a wide European public, whether they are partners of the project or not, is not only desirable but is also what the European Commission expects from the projects. As a logical consequence any commercial use of the project results by the project partner(s) would be in contradiction to the general mission of the programme.

It is nevertheless possible that partnerships wish to protect their project results from further development and commercial use.

Projects should make use of the partnership agreement to make the necessary provisions for questions on ownership and intellectual property rights. The partnership agreement template includes a paragraph, which by default indicates shared ownership among all project partners.

### 7.4.11 Financing activities outside the programme area

The INTERREG EUROPE programme area covers all EU Member States, Norway and Switzerland. In principle all activities of a project should take place within this programme area. If a project plans to finance activities or events outside the programme area, this is in justified cases possible provided that Regulation (EU) 1299/2013, Article 20 is respected and that it does exceed 20% of the total ERDF allocated to the project. If activities (including travel) or events are planned outside the programme area the following conditions need to be fulfilled:

* the activity and/or event are for the benefit of the programme area;
* the activity and/or event are essential for the project implementation;
* the implementation and/or the relevance of the activity or the event have been approved by the programme before hand.

Point of attentation

From experience the most common activities outside the programme area concern the participation in conference or events outside the EU, Norway or Switzerland. If project(s) (partners) wish to participate to such events an approval by the programme before the participation is necessary. Such activities should preferably already be planned and justified in the application form. If no approval has been obtained ex-ante, the expenditure cannot be accepted by the programme.

## 7.5 Accounting for project expenditure

In order to receive the ERDF all expenditure to be reported by a project has to be verified beforehand. The next section provides guidance on the accounting principles that apply within the frame of INTERREG EUROPE project.

Expenditure can only be reported if the following principles are fulfilled:

* The calculation is based on actual costs (except for administration costs).
* The costs are definitively borne by the partner body and would not have arisen without the project.
* The expenditure has actually been paid out before the end of the reporting period. Expenditure is considered to be paid when the amount is debited from the partner institution’s bank account. The payment is usually proven by the bank statements. The date when the invoice was issued, recorded or booked in the accounting system does not count as a payment date.
* The expenditure is directly linked to the project implementation and necessary for the successful project implementation.

The lead partner and the partners must ensure that all accounting documentation related to the project is available and filed separately, even if this leads to a dual treatment of accounts (for example, if it is necessary to centralise the filing of accounting documents).

**Accounting documents**

The following list gives an overview of the documents that have to be available for financial control and audit purposes and retained for a minimum period, which will be indicated in the project closure notification:

* approved application form
* subsidy contract (original at lead partner level, copy at project partner level)
* partnership agreement (original)
* relevant project correspondence (financial and contractual)
* progress reports
* details on budget by partner
* list of expenditure by partner
* first level control confirmation
* approbation certificates in case of decentralised first level control system
* control checklists and control reports (all at lead partner level, individual at project partner level)
* bank account statements proving the reception and the transfer of EU/Norwegian funds
* invoices or documents of equivalent probative value (e.g. pay slips for staff costs)
* bank account statements / proof of payment for each invoice
* proofs for delivery of services and goods: studies, brochures, newsletters, minutes of meetings, translated letters, participant lists, travel tickets, etc.
* evidence that the information and publicity requirements have been respected

According to the budget line concerned by the costs, the following documents should also be available:

* staff costs: calculation of hourly rates, information on actual annual working hours, labour contracts, payroll documents and time records of personnel working for the project or mission letter (if applicable)
* administration: no documentation necessary, because of the applied flat rate
* travel and accommodation: travel expenses requests, evidence that the travel took place (e.g. boarding passes, train tickets)
* external expertise and services: list of contracts and copies of all contracts with external experts and/or service providers, documents relating to public procurement (public procurement notes, terms of reference, offers / quotes, evaluation reports, order forms, etc.)
* equipment: record of assets, physical availability of equipment purchased in the context of the project, calculation method in case of depreciation or if the equipment cost is allocated to the project on a pro-rate basis, documents related to public procurement.

A follow-up of the amounts of expenditure reported in the context of the project must exist in computerised form. It must be possible to clearly identify which expenditure has been allocated and reported in the context of the project and to exclude that expenditure is reported twice (in two different budget lines, reporting periods, projects/funding schemes). This clear identification is ensured through:

* a separate accounting system or
* an adequate accounting code for all expenditure relating to the project.

## 7.6 First level control (verification of expenditure to be reported)

Before the submission to the JS, each progress report has to be verified and confirmed by an independent controller according to the first level control system set up by each Member State and Norway (in accordance with Article 125 of Regulation (EU) 1303/2013 and Article 23 of Regulation (EU) 1299/2013).

This verification is carried out by a so called first level controller, somebody who has the qualifications (usually auditors or certified public accounts) to verify that the expenditure connected to the project implementation was spent in compliance with the relevant EU, national, regional, institutional and programme rules. The main aim of the controls is to provide a guarantee for the managing authority, the certifying authority and, importantly, to the project itself that costs co-financed under the INTERREG EUROPE programme are accounted for and claimed in accordance with the legal and financial provisions of the subsidy contract, the approved application form, the INTERREG EUROPE programme rules, national rules and EC regulations.

### 7.6.1 Designation of the first level controller

In accordance with Article 23 of Regulation (EU) 1299/2013, it is the responsibility of each Member State and Norway to designate the controllers for verifying the legality and regularity of the expenditure declared by each partner participating in a project. In practice this means that each partner has to seek confirmation of the reported expenditure from a controller who is authorised by the respective Member State or Norway (e.g. for an Italian partner, Italy has to provide the authorisation of the first level controller). The details for each Member State and Norway can be found on the programme’s website (XXX).

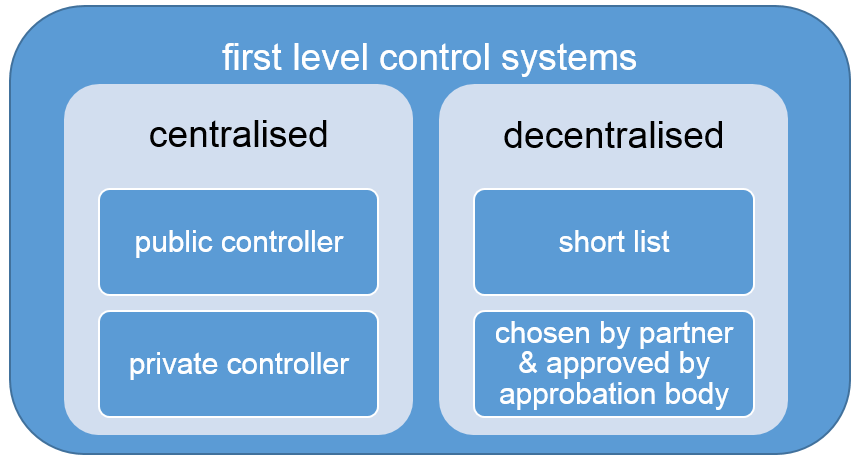
The main principle is that the controllers have to be independent and qualified to carry out the control of project expenditure. In order to be considered independent the controllers have to fulfil certain criteria. An internal controller, if authorised by the Member State or Norway, has to belong to a unit which is organisationally separated from the units dealing with project activities and finances. An external controller can only be considered independent if there are not any other contractual relationships with the project or partner organisation that could lead to a conflict of interest.

Concerning the qualification of the first level controller, the partners have to take into consideration that the task of controlling project expenditure co-financed under the INTERREG EUROPE programme goes beyond checking the accounts: it also involves a judgment on the compliance with ERDF, national and programme rules. The controllers are therefore expected to have a profound knowledge of controlling project expenditure under the Structural Funds regulations as well as a good knowledge of English (considering that all programme documents and reports are in English). The country specific control requirements are binding and provide further conditions concerning the choice of first level controller.

In case an external controller is selected by the project partner, this controller has to be designated in accordance with public procurement rules.

In principle there are four general models:

* centralised control at Member State level through a public administrative body
* centralised control at Member State level through a private audit firm
* decentralised control through controllers selected by the project partner from a central short list
* decentralised control through an internal or external controller selected by the project partner and approved at national level.



In Member States with decentralised control systems, each project partner has to provide an **approbation certificate delivered by the approbation body designated by the Partner State,** for the chosen first level controller. This approbation certificate has to be submitted with the first progress report. If, throughout the project implementation, a new first level control body is appointed, a new approbation certificate has to be provided.

The detailed requirements per country can be found in the section “country specific information for first level control” on the INTERREG EUROPE website.

### 7.6.2 Role of the first level controller

The first level controllers’ task is to verify that the expenditure reported by the partners in each progress report fulfils the following conditions:

* the costs are eligible,
* the conditions of the programme, approved application form and subsidy contract have been observed and followed,
* the invoices and payments are correctly recorded and sufficiently supported,
* the related activities, sub-contracted supplies and services are in progress or have been delivered or carried out,
* the community rules have been respected especially with regard to information and publicity, public procurement, equal opportunities and protection of the environment.

The controllers have to be familiar with the content of the following documents in order to be able to confirm the compliance with the provisions laid down in:

* the EU-regulations and directives, i.e. in particular with:
  + Regulation (EU) No. 1303/2013 (Common Provisions Regulation)
  + Regulation (EU) No. 1301/2013 (ERDF Regulation)
  + Regulation (EU) No. 1299/2013 (European Territorial Cooperation Regulation)
  + Commission Delegated Regulation (EU) No 481/2014 (Eligibility of expenditure for cooperation programmes)
  + EU Directives on public procurement
* further national rules and guidance (e.g. national public procurement rules)
* the programme manual
* the application form
* the subsidy contract
* the partnership agreement

In case of amendments of the project application form, subsidy contract and partnership agreement, the lead partners and partners have to ensure that the latest version is made available to the first level controllers.

The programme provides standard documents in order to guide the controllers during the control work, to ensure the application of the same quality standards on all levels and document the control steps properly:

* A standard partner control confirmation to be signed by each project partner first level controller (this includes a partner control confirmation for the lead partner for their own (partner) expenditure). The partner control confirmations have to be available for the lead partner and the JS.
* A standard control report template with a checklist, which has to be filled in by each project partner’s first level controller (this includes one for the lead partner for their own (partner) expenditure). This report has to be submitted to the lead partner.

The standard documents mentioned above have been developed in a joint approach of European territorial cooperation programmes in order to bring greater harmonisation to the different strands of European territorial cooperation. The text of the documents may not be amended or extended. The control report and checklist template provides the minimum requirements for the controllers’ checks and documentation. Additional points (e.g. documentation of checks on the basis of national rules) may be added.

The first level controllers have to take into consideration that when signing the control report for a certain reporting period, they are confirming the full amount of eligible expenditure. In order to have sufficient reassurance, the controllers are thus expected to check 100% of the expenditure. Only in very well justified cases, sampling is allowed and under the condition that the method, the scope and the results are fully documented and give sufficient evidence and reassurance for confirming the full expenditure.

**Verifying the delivery of services, goods and works and carrying out on-the-spot checks**

The first level controllers also have to verify that the reported activities have taken place, the delivery of sub-contracted supplies, works and goods is in progress or has been completed. On-the-spot checks are therefore usually required in order to gain sufficient evidence and to be able to give a reasonable opinion on this matter.

But how shall these checks be carried out in practice?

The INTERREG EUROPE programme typically supports activities such as meetings, seminars, studies, websites, good practice guides thus mainly involving staff, administration, external expertise and travel costs. Under INTERREG EUROPE, there is no financing of heavy investment and the purchase of equipment items plays a minor role.

In order to gain assurance that the activities reported in the progress report have actually taken place, it can mostly be done through the reviewing of supporting documents. Here are a few examples on how the existence and the delivery of certain outputs can be checked with the help of supporting documents:

* *Meetings*: the first level controller can usually check the delivery of the meeting through documents such as the agenda, participants’ lists, meeting minutes, presentations and pictures;
* *Travel*: in order to gain assurance about a partner having actually travelled, original travel tickets, boarding passes, bus and metro tickets, hotel invoices and/or signed participants’ lists are usually requested;
* *Websites and other electronic publications*: websites as well as other electronic documents can be checked online;
* *Printed material*: a copy of brochures, studies, guides, photos and similar are usually provided by the partners to the first level controller.

However, in the case of equipment items purchased in the context of a project, their actual physical availability has to be checked. An on-the-spot check is unavoidable.

But there are also other arguments that call for an on-the-spot check besides the need to check the physical availability of equipment items. Considering the list of accounting and other supporting documents that have to be reviewed by the controller for the different cost items (see section XXX Accounting for project expenditure), it is always advisable to go on-the-spot because:

* it accelerates the process: it avoids the sending of documents back and forth and thus helps to save paper and time; documents initially missing can be provided immediately; responsible persons can be met and supporting documents such as staff contracts, bank statements as payment proofs and procurement documents can be more easily reviewed and accessed.
* it gives a better understanding of the supporting documents, the project and the partner organisation: interviews and walk-throughs can be conducted, which means that a certain process can be traced from the beginning to its end inside the partner organisation with the responsible people, such as public procurement processes from the launch of the tender to the selection, contracting and final delivery of the contract or a payment process from the ordering of the service to its delivery, invoicing, registration in the accounting system and final payment.

It has to be kept in mind that according to Regulation (EU) No. 1303/2013 Article 125 (5) **on-the-spot check are even an obligation**. At the same time, the means invested in going on the spot should remain proportional to the costs to be verified. Consequently, it is legitimate to sample. Therefore, controllers who are involved in several operations (especially in the case of Member States with a centralized first level control) sometimes establish criteria to classify their operations in order to identify those which are the most financially at risk. Among such criteria could be the following:

* size of partner budget/expected costs to be reported,
* number of contracts involving important public procurement processes,
* amounts of equipment items purchased.

Then the first level controller decides to visit all the projects that cumulate several of these criteria and will thus be more at risk. For the others, checks are carried out on a sampling basis. This could be a random sample; every second or third project; or an oriented one where further sub-criteria are defined such as:

* the complexity of the project management due to its number of partners or project type (mini-programme?),
* general quality of the partner’s reporting documents,
* reporting problems already encountered.

Another way to reduce the cost linked to an on-the-spot-check is to carry it out once or twice during the lifetime of the project, instead of each time a report is certified. This method is especially interesting for first level controllers who are involved in one operation and thus cannot sample on the basis of a larger pool of projects. In any case, it is important to document in the control report the check of existence and reality of goods, works and services, what kind of evidence was viewed and the method chosen especially if sampling was applied and the reasons for it.

### 7.6.3 Role of the lead partner in the control process

Following the lead partner principle as indicated in the Regulation (EU) 1299/2013, Article 13 (2) the lead partner holds the overall responsibility for ensuring the implementation of the project. When submitting a joint progress report the lead partner has to

* ensure that the expenditure reported by the partners has been incurred in implementing the project and corresponds to the activities agreed between all the partners, i.e. is in line with the application form and subsidy contract. If existing, all deviations from the application form have been properly reflected and justified in the progress report.
* check that amounts and activities reported are correctly integrated in the joint progress report and that they give a correct description of the implementation and present status of the project
* ensure that the expenditure reported by partners has been verified by a controller in line with the country specific requirements for first level control
* check that the control documents (i.e. partner control confirmation and control report (incl. control checklist) and list of expenditure are correct and complete.

Such a verification does not imply reperforming the checks already carried out on partner level considering that the financial control is of Partner State responsability. However, it is still up to the lead partner due to its particular role and knowledge of the project as a whole to gain some assurance by screening the information available to him (partner report and outputs, control confirmation, control report incl. checklist, list of expenditure). In case of doubt, the lead partner has to justify to the partner (and the relevant FLC) and clarify the matter before the cost item is actually included in the joint progress report submitted to the JS.

### 7.6.4 Timing of first level control

The project (through the lead partner) is required to submit the progress report within three months after the end of each reporting period (see section XXX), therefor it has to be ensured that project expenditure is verified within this time frame. In order to ensure timely submission, the controls on project partner and lead partner level have to be scheduled carefully according to the submission deadlines.

In this context it is important to keep in mind that

* expenditure has to be reported regularly, i.e. in the reporting period where it incurred,
* the project partner’s controller can only carry out the control after receipt of the complete set of documents from the partners,
* some project partner’s controllers have fixed time limits for carrying out the control which have to be respected when the documentation is submitted (and for potential clarifications),
* the lead partner can only submit the progress report after having received and checked the duly signed control documents from the partners reporting expenditure.

Given the points above and the complexity of reporting procedures it is crucial that projects need to establish a clear timeline for the reporting procedure. From the programme’s perspective the following is advised:

* Within one month after the end of the reporting period verification of expenditure at project partner level and submission of the related documents to the lead partner. Point of attention: in many centralised first level control countries, the verification is carried out on a first come, first serve basis. Hence for those partners it is obviously most important to submit documents shortly after the end of a reporting period. Partners should already towards the end of a reporting period establish a timeline with their first level controllers, in order to avoid any bottlenecks.
* After receipt of the content and financial input from the partners the lead partner has sufficient time left to compile the progress report and in cooperation with the partners clarify any open points or questions of the reports. In a final step the lead partner submits the progress report to the programme.

### 7.6.5 First level control costs

Control costs for the verification of expenditure are considered to be eligible costs if there are not any stricter national rules established at partner states’ level. It is therefore advised to foresee a budget for these controls depending on the control arrangements applicable in the relevant Member State/Norway for each of the project partners; this point has to be carefully checked in the specific country requirements available on the INTERREG EUROPE website.

Points of attention:

* Internal independent control should be included under the budget line ‘staff’.   
  For example, if the accounting department of a county council carries out the first level control for the environment department of the county council, the expenditure would be reported under the budget line staff costs, in accordance with applicable rules for staff costs, because the person(s) carrying out the verification are on the payroll of the partner institution.
* On the contrary, the expenditure for an external independent first level controller would be reported in the budget line ‘external expertise and services’. For example, the environment department of a county council subcontracts a public accountant, in compliance with the relevant public procurement regulations. As this first level controller is not directly employed by the partner institution, the expenditure has to be reported in the budget line external expertise and services.

In order for the control costs for the last progress report to be eligible **the activity** (first level control) **and the payment have** to be made before the official end date of the project. For further information and details please see section XXX of the programme manual.

### 7.6.6 Financial correction carried out by the project

To be developed, once the reporting template and audit procedures are finalised.

## 7.7 Second level audit / Sample checks on projects

Every year between 2017 and 2023, sample checks on projects will be carried out to verify that projects have correctly declared expenditure in the progress reports. These checks will be done under the responsibility of the audit authority assisted by a group of auditors with at least one representative from each participating country. The actual checks will be sub-contracted and carried out by a private audit firm. The purpose of these checks is to detect mistakes in the accounting records at the level of individual projects and on that basis to obtain an overall picture of whether the management and control procedures and documents set up at programme level are being applied and that they allow the prevention and correction of potential weaknesses and errors.

Should a project be selected for a sample check, it is incumbent on both the lead partner and on the other partners to cooperate with the auditing bodies, present any documentary evidence or information deemed necessary to assist with the evaluation of the accounting documents as well as to give access to business premises.

Besides the sample checks explained above, other responsible programme bodies such as the European Commission’s audit services, the European Court of Auditors, national bodies, joint secretariat/managing authority, certifying authority may carry out audits to check the quality of the project implementation and in particular its financial management regarding compliance with EU and national rules. Projects may be checked even after the project has ended. That is why it is important to ensure good documentation and safe storage of all project documents at least until the date which will be indicated in the project closure notification.

# 8. Communication

The specific role of communication in ensuring the success of EU-funded projects has come to the fore over the past decade. In the context of interregional cooperation, there have been several reasons for this:

* the pressure from the European institutions (in particular the European Commission) to demonstrate to the wider public how European funds in general are being spent.
* the need for public authorities to demonstrate (even further) the added-value of allocating resources to cooperation, in a general context of reduced public spending.
* the results-oriented approach of the interregional cooperation programme, in particular to demonstrate the less tangible (but no less effective) policy results.

Project partners are thus required to dedicate sufficient time and resources to project communication, at all stages of the project development. 'Communications' must be understood as a strategic project tool, which contributes to achieving the project objectives. It cannot simply be an 'add-on' at the end of the project. Each project will therefore develop its own communication strategy, leading to a specific mix of tools and actions, based on what they expect their project to achieve. There are still a number of minimum requirements to take into consideration, based on EC or programme regulations, but the driving force behind each communication strategy is to ensure the project is a known success.

To aid project partners, the following sections describe what is expected from a project communication strategy and its implementation, providing useful tools and templates along the way.

## 8.1 Project communication strategy

A communication strategy is designed to help the project communicate effectively to achieve its core objectives. It provides a useful roadmap for identifying who needs to be reached, and what they need to hear, to ensure the project is a success. It entails quite a bit of research, brainstorming and refining within the partnership even before the project begins; but time invested in setting up a robust communication strategy will be repaid throughout the project implementation.

Each project will develop its own strategy for ensuring its objectives are met. At the same time, projects are financed by the INTERREG EUROPE programme and the European Regional Development Fund and so are part of a bigger picture when it comes to communicating the effectiveness of policy learning.

### 8.1.1 Developing a communication strategy

The project communication strategy needs to cover at least the following main sections:

* objectives
* target groups
* messages
* activities
* time plan
* budget
* evaluation

The partnership needs to think about what needs to be done to persuade stakeholders to change their behaviour and help push for a specific policy change. The set and timing of the selected activities, carrying the right project messages to carefully selected target groups, represents the communication strategy.

**Objectives - What do you want to achieve?**

Communication needs to be goal-driven. We communicate to achieve or change something; therefore it is important to define communication objectives properly in advance. It is important to make a difference between the project objectives and communication objectives. The starting point is to understand and define what the project partners want to achieve, and develop project-specific communication aims.

The **project objective** describes the project’s intended and direct outcomes – what can be directly attributed to the effect of the project.

The **communication objectives** describe how communications can help deliver the project aims.

Communication objectives for policy learning projects can be often linked to:

* raising awareness
* changing behaviour or mind-set
* spreading knowledge

At the same time, it is not sufficient for a project to define its objectives as “to raise awareness” or “to communicate our activities and results”. Communications objectives need to be clearly defined, detailed, achievable and measurable = **SMART**.

**S** – Specific

**M** – Measurable

**A** – Appropriate

**R** – Realistic

**T** - Timed

Its ultimate goals could be to improve legislation, to inform public policy on a particular topic, to improve public services, to change opinions of certain stakeholders or to raise public awareness of a specific issue.

In addition, it is necessary to distinguish between internal and external communications objectives. Both need to be addressed: communication between the partners as well as communication which is targeted to stakeholders outside the project partner organisations, including the general public.

The programme also expects the partnership to approach the two phases of the project differently also in terms of communication: during the first phase, the communication strategy should focus on informing and involving all the relevant stakeholders that can bring the project to successful improvement of the selected policy instruments and programmes, while during the second phase project communication should follow the implementation of the action plans and inform others about it. In the end, the project should present all the achievements at an event with high level political participation to illustrate policymakers’ active involvement in the project's work.

Be careful about setting too many objectives, or overreaching with communication ambitions.

**Identify your target groups**

The key audiences the project needs to communicate with are called “target groups”. These groups all have different characteristics and needs. To be effective, it is important to know precisely who the project needs to address and think about the target audience every time the project communicates.

**How to define target groups?**

Target groups can be easily identified by developing a list of important people and organisations that need to know about the project and its work. All partners should be included in this brainstorming exercise!

Examples of well-defined target groups could be “politicians and public officials dealing with innovation management”, “regional business support organisations”, and “public transport authorities”. However, “EU”, “politicians”, and “academic institutions” are not specific enough. EU regulations insist on project beneficiaries’ communication with the 'citizen' or 'general public' (EU Regulation No 1299/2013 Annex XII, Article 2). It is necessary to be specific about who that really is in a particular project, e.g. “young unemployed people under 26”; “households using renewable energy sources” etc. Finally, it is not correct to consider media as a target group; they are a tool to convey the project messages to the final audience.

The list of different target groups may be quite long, so performing an analysis will help in prioritising whom to target. Using the stakeholder analysis template (available on the programme website), the projects can plot the different audiences according to their current level of engagement with the issue tackled by the project, and their ability to influence the outcome of the project. The project needs to focus attention on those groups in the 'Key Players' segment of the template, and aim to engage further those who have a high influence on the project outcomes.

N.B. The approach described here can also be used more specifically to identify all relevant stakeholders for the project's stakeholder groups (see section XX).

**Develop messages**

A message is a simple and clear idea that acts as a guiding principle for all kinds of communication – everything from the content of leaflets, brochures and websites to the agenda for a media interview, to conversations with stakeholders. A message is not the same as an advertising slogan or a marketing line. Messages sum up the main aims of the project and may focus on some of its specific aspects.

It is essential to think about the audience every time the project communicates. Different target groups are reached by different tactics and different media. Messages need to be tailored to be appropriate for different target groups: what is relevant to local policymakers might not interest the general public. A good message will be immediately appealing to its target audience: it should be strongly worded to stand out from everything else that is competing for their attention.

At the same time, it is important to keep things clear and simple. The programme recommends not to use more than three messages at any time, otherwise the audience will suffer from “information overload” and fail to grasp any of the ideas communicated. Instead, to multiply the effect, it is better to send few messages from different sources and on different occasions.

**How to develop project messages?**

1. Try to put down what you do in one short sentence. What problems does your project tackle? How does it benefit the participating regions? Why should people care about it? What would be the best possible headline about your project in the media? What three things would you like the audience to remember and tell someone else about your project?
2. List the target groups, create a table and match each audience with a communication objective – state what you want to achieve by communicating with them.
3. Mark down what ideas and information you need to communicate to achieve these objectives. This is the basis for your messages.
4. Check the list of draft messages and combine similar ones, if possible. Decide which messages are the most important.
5. Try to refine the language and say the same messages in a more simple way. Remove all unnecessary words and complicated vocabulary. Look at each word and ask whether it would be understood by someone who is not fluent in your language or who doesn’t know much about the subject matter of your project. Make every word count!
6. Show the messages to people outside your project. Friends and family will do, but journalists or people close to your target audiences are better. Do they understand? Are they interested? If not, try again.
7. Finally, select the best three messages. Support each message with evidence and examples (“proof points”). Make sure everyone within your project is familiar with how to use them as every piece of external communications should be executed in line with your key messages.
8. Periodically, take a look at any press coverage and see whether your messages are getting across. If the messages are not working at all, you need to think again. However, do not take this step lightly – this is the essence of your project. This is why you should put effort into getting it right during the first time.
9. A message should be a short sentence (up to 25 words), which is simple, clear, credible, memorable, positive, active, free from jargon, easily identifiable, and adoptable in different communication tools.
10. Messages can come in a form of a statement, idea or assertion: e.g.

* “(x) is a problem and (y) is the solution.”
* Project (x) enables (stakeholders) to cooperate on improving (y).”
* “The work of project (x) is valuable because (y) and (z).”
* “(stakeholders) must share solutions on the issue of (x) because …”
* “(x) must take action on the issue of (y), otherwise (z) will happen.”

**Activities**

What means should be used to transmit a particular message to a given target group?  Is a brochure, conference, or press release the best way to reach the target? The partners should list the preferred or most appropriate communication channel for each of the target groups. Several channels will probably be suitable for the project’s communication needs.

Activities may include a newsletter, a large conference, networking lunch, workshop, an evening reception, email alerts, press release, website, promotional literature, regional seminars, etc. The project has to include in the communication plan activities which are defined on programme level – project website, promotional poster, etc. (further defined in section xx below).

The programme has a strict approach to producing so-called promotional gadgets or giveaways. **Only communication material specifically required to reach one of the defined target groups and objectives can be produced.** Such publicity material needs approval of the joint secretariat before being produced.

**Time plan**

The project needs to develop an indicative time plan of when certain communication activities should be carried out based on the project's overall milestones. A smart combination of such elements with appropriate timing should help achieve the overall project objective of improving selected policies. Communication with all the tools and activities available should first and foremost serve the project to get to successful results in its policy field.

**Budget**

The budget for communication activities also needs to be planned in the application phase. The partners should go through all the planned activities and consider whether they are able to organise everything with their own staff or whether the expertise of an external service provider would be needed. In case the project would like to contract external experts, it needs to be reflected in the 'External expertise and services' budget line. When budgeting the activities, the projects need to think about the costs of the selected activities and the benefits they bring to the project, as well as their added value with respect to other communication activities planned. It is not possible to increase the approved budget of the project (see section xx for more on preparing the project budget).

Although the budget in the application form should be as precise as possible, there are specific flexibility rules that can be applied in the course of the project (see section xx of the programme manual).

**Evaluation**

It is important to put tools in place to measure the impact of the different communication outputs and results, and to potentially improve its effectiveness. This will enable project partners to propose effective result indicators and to measure them throughout the project lifetime. A certain number of indicators are pre-defined at programme level (see section xx)and these need to be reported through each progress report. The programme recommends to the projects to set their own indicators, based on their specific communication objectives, to be monitored internally by the communication manager. Evaluation of such internal indicators will allow the partners to assess whether the selected communication approach and activities bring the intended results and whether they help the project reach its goals. Tips and advice on various evaluation methods are available on the programme website.

**Summary for application form**

Once the communication strategy takes shape, it will become an important part of the application form. Section C.3 of the application form requests a list of communication objectives, along with an overview table of related target audiences and suggested activities, which should be extracted from the project’s communication strategy document.

### 8.1.2 Project branding

Visual identity of the INTERREG EUROPE projects will be set into a common programme framework. Therefore the projects will have to follow the corporate design guidelines of the programme while developing their project communication tools.

**Logo and acronym**

The Regulation (EU) 1299/2013 requires all beneficiaries to follow several rules regarding the use of logo of the European Union and the respective fund - ERDF in the case of INTERREG EUROPE. The logo has to be always visible at a prominent place (on the first/ landing page, visible without scrolling on all electronic and mobile devices) and in a comparable size to other logos used.

INTERREG EUROPE  logo set (see picture XX below) respects all the programme requirements and all approved projects are obliged to use it on all communication material (both hard copy and electronic). The logo set can be downloaded from the programme website: www.interregeurope.eu

Picture XX

The projects are not encouraged to develop their own project logo, because they have just a limited life time.

The project acronym will be a key element of the project branding. Therefore, it is important to decide for an acronym that is short, easy to pronounce and associated with the project theme.

**Project website**

The programme will host the project website on the programme website. Several sections such as project description, partnership, information about the financing, and other information as requested in the EU regulations will be prefilled. This information will be updated automatically during the synchronisation with the project database. The subsections on project news, events and activities will be in place and will have to be updated by project partners not less than once each six months.

Projects will have to:

* Publish news about the project implementation and achievements
* Publish main project events (no later than 2 weeks before the event)
* Publish pictures, videos about the project work
* Publish project electronic and printed material (electronic version)
* Manage the social media section (if they decide to use it)

The projects will be able to add additional sections to the predefined structure of their website. Such website-related developments should be foreseen in the project budget. They should be designed in accordance with the visual identity of the project website with incorporated logo set of the programme.

The integrated system of programme and project websites will ensure more efficient interconnection between the project activities and the programme. The programme will ensure that the information published by the projects is searchable in a database comprising data from all INTERREG EUROPE projects. The project news and events will be more readily integrated into the programme news/ events section. That will result in a higher visibility of the projects.  Also, the good practices described at the projects' websites will be better accessible for the experts and beneficiaries of the policy learning platforms. Moreover, this integrated system of websites is intended to save the projects' financial and human resources needed for procuring and setting up a website.

The projects could foresee developing a special logo and/or a separate website only in case the project activities are expected to result in a self-standing tool with a foreseen life reaching beyond the project. Such a logo and a website would be for the tool only, which will have to be linked to the project website under INTERREG EUROPE. Development of such a tool will be subject to approval during the assessment of the project and a specific justification of this development. In case the development is approved, the project has to follow the corporate design guidelines of the programme and include the programme logo set on the tool's website. The development of such a tool will be judged by the joint secretariat on its added value to the project and its interregionality.

**Institutional website**

All project partners have to follow the requirements laid down in the EU Regulation 1299/2013 (Annex XII Article 2.2 paragraph 2.a) and publish information about the project on their institutional website (where such website exists). Project partners should provide a short description of the project, its aims and results, partnership, and highlighting the financial support from the European Union (INTERREG EUROPE/ ERDF). The information about the project has to include the programme logo set at a visible place, meeting the general visibility and publicity requirements of the programme. Link to the project website should be added for more information about the project activities.

**Poster**

Within 6 months after the approval of the project, each project partner has to place at least one poster with information about the project (minimum size A3), including the financial support from the ERDF, at a location readily visible to the public, such as the entrance area of a building. The INTERREG EUROPE programme will provide a downloadable template for production of the poster.

**Events**

During the events, projects are required to place the EU flag and the project poster or a project banner at a readily visible place (e.g. the front of the meeting room) ensuring visibility of the EU and the programme. Programme logo set has to be used on the agendas, list of participants, related hand-outs and presentations.

**Publications**

All electronic or printed material, such as booklets, leaflets, newsletters, studies, good practice guides, presentations, must display the programme logo set. Templates of the standard communication material (poster, press release, etc.) will be available on the programme website.

Pease note, that if the visibility and publicity requirements are not observed or only partly observed, the costs (events, publications, etc.) maybe be considered ineligible for ERDF funding.

## 8.2 Implementing the communication strategy

Once the programme's monitoring committee approves a project, it will be time to start implementing the communication strategy. Below, there are the programme minimum requirements in terms of the communication activities and the procedures of reporting on the project activities in Phase 1 and Phase 2.

### 8.2.1 Communication tools and activities

There are many communication tools and activities available. In line with the programme's own communication strategy, projects are expected to develop at least the three following activities: online communication (website and social media), media relations, and public relations.

**Website**

The project website is a standardised communication tool for all projects. All projects will have a regularly updated website with content attracting new visitors during the whole course of the project (both phases). Please note that **the number of new visitors during each reporting period** is one of the indicators predefined by the programme.

The project website has to be linked to all institutional website of the project partners, when available, where they describe their participation in the project. The project website should serve as the main resource of up-to-date information about the project.

INTERREG EUROPE will provide the project with a website as a part of a broad programme online structure (described above in section xx). Responsibility of the project will be to update the standard (news and events) and selected modules of the website (e.g. a library for project publications, a newsletter, a gallery for visuals, etc.). Selection of specific modules beyond the standard structure will allow the projects to personalise their website and distinguish it from the other projects.

With respect to the practical side of the website development, each lead partner and communication manager of a project will receive a training in the website content management system and all necessary access codes.

Visibility and publicity requirements for the website and other online tools are describe in section xx.

**Social media**

To be developed

**Media relations**

The programme expects all project to inform the general public about their activities and achievements. The main information channel for this purpose is media (mainly the press – both online and printed). **The number of appearances in media** is one of the communication-related indicators predefined by the programme. In order to succeed in reaching any target value set for this indicator, the projects need to include active work with media in their communication strategy.

When preparing material for media, the projects need to pay special attention to emphasising the name of the project, the programme and the ERDF. The published articles should contain them all. Therefore, the projects need to prepare the press kit for journalists well and emphasise the names in all material provided to media, stress them during press conferences and briefings, display them on all publicity material.

Please note that the programme does not support paid articles as they do not represent a result of a successful communication strategy.

Media monitoring then should be a part of the evaluation of the communication strategy. While reporting on the success of media relations, the projects need to keep a copy of an article (scanned article with a visible date and source, image clip of an online article with a link and date, or similar).

For reaching out to media, the programme recommends the project to develop working contact with the national points of contact in their partner countries. The contact points can serve as multipliers of the information about an event or achievement; they can also appreciate receiving the news about their partners’ work and activities.

Practical tips and advice on media relations are available on the programme website.

**Public relations**

To be developed

**Promotional material - gifts and giveaways**

The programme adopts a strict approach to the production and use of various promotional material such as bags, pens, notebooks, USB sticks, etc. In general, such communication tools will not be accepted as eligible unless their need for a very specific communication activity is clearly explained and justified beforehand. Further on eligibility of gifts, see section xx.

**Other communication tools and activities**

There are no specific requirements on other communication tools and activities from the programme side. Communication strategy can vary depending on the specific topic tackled by each project, so the appropriate selection of communication tools and activities can vary.

### 8.2.2 Stakeholder group involvement

To be developed

### 8.2.3 Reporting on communication activities

To be developed

## 8.3 Programme support to projects and other synergies

### 8.3.1 Advice and training

The programme provides lead partners and respective coordinators of approved projects with a number of training and advice opportunities. The project partners responsible for a specific aspect of the project management (coordination, financial management, communication) are regularly invited to participate in events and activities organised at programme level aimed at making the project implementation as efficient as possible.

**Activities at programme level**

* lead partner seminars (organised shortly after the approval to brief the lead partners on the programme main features and requirements)
* finance seminars
* communication seminars

Even if it is not compulsory, the participation in these events is very much encouraged as it contributes to improving the overall quality of the programme implementation. The communication seminars provide lead partners and communication managers of projects with practical tips and advice on how to make their communication a successful and effective tool for reaching the project’s overall objectives.

Applicants should therefore be aware of the above activities when preparing an application and in particular when elaborating the budget (travel and accommodation/ external expertise lines). Lead partners would be expected to participate in a maximum of three events per year at programme level.

### 8.3.2 Online/ ad-hoc support

The programme will offer a number of online training and advice tools in the form of online documents, podcasts and videos. Readily available at the programme website, they should serve as a complementary guidance to the project implementation in addition to this programme manual.

Apart from the online tools, the programme encourages all the project partners to take part in the social media fora linked to INTERREG EUROPE. The group on LinkedIn should serve as a peer-to-peer discussion room among the project partners themselves where they can discuss project-related questions or present examples of their activities to the others. Representatives of the joint secretariat will monitor the fora and provide ad-hoc input whenever needed.

The programme also plans to organise so-called webinars providing advice and support to project partners via online meetings.

**8.3.3 Programme expectations on a project**

Apart from the regular reporting on your communication activities, the project partners are expected to incorporate in their planning several other activities coming from the programme level.

**Events**

* Annual INTERREG EUROPE events
* Policy learning platform events
* Events of European institutions (RegioStar / Open Days)
* EC Day

The programme might ask the projects to present their results and achievements at any of the annual events or policy learning platform events. Also, there are several events organised by the European institutions which may serve the project in terms of higher visibility and dissemination of their achievements. The programme participates in these events with input from the projects. The European cooperation day (EC Day – 21 September) is a new initiative presenting projects’ work and results at the local level to the general public. The projects are encouraged to take part in that initiative that can also bring them more visibility and contact with the local media.

Please, foresee costs related to such events in your project budget.

**Information exchange**

The EU regulation 1299/2013 requires all the project partner institutions to inform on their own website about the project. The project partners should consider linking their national points of contact institutions to their project website. Cooperation with the communication officer at the national level can provide the project with additional multiplier channel for all the information that the partners want to share with their local audiences. It could help the project persuade the press of the seriousness of their work and make journalists publish more news about the project activities and achievements. A list of the communication personnel for each country is available on the programme website.

In turn, the communication officer at the national level might require a regular contact with the project partners from their country for gaining region- and nation-specific information about the programme through the project activities. The programme encourages the project to make the national points of contact a part of their stakeholder groups and keep them in the loop with the most up-to-date information about the project.

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| **Programme tools and templates** |
| * **Logo set (several variations)** * **A3 Poster template** * **PPT template** * **Press release template** * **Information about project for partner websites template** * **Communication strategy template** * **Stakeholder mapping tool** |

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| **Checklist of publicity requirements** |
| * **Logo set used** * **All partner institutions inform about project on their website (if such website exists)** * **All partner institutions' websites linked to INTERREG EUROPE/ project website** * **All partner institutions place the A3 project poster at a readily visible place** * **ERDF support mentioned on all documents used for the public or the participants in the project's operations/activities** |

1. The word ‘region’ or the expression ‘regional relevance’ are often used in a broad sense in INTERREG EUROPE. It refers to any relevant territory which can be represented by a local, regional or national public authority. Dependning on the issue addressed and the characteristics of the territories involved, it can relate to different administrative levels (e.g. municipality, city, country, province, region, country). [↑](#footnote-ref-1)
2. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF> [↑](#footnote-ref-2)
3. Regulation (EU) No 1299/2013 (ETC regulation). Recital (7) and article 2(3)a. [↑](#footnote-ref-3)
4. In particular ‘Commission Regulation [(EU) N°651/2014 of 17 June 2014](http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1404295693570&uri=CELEX:32014R0651) declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty’ and ‘Commission Regulation (EC) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid’. [↑](#footnote-ref-4)
5. <http://s3platform.jrc.ec.europa.eu/home> [↑](#footnote-ref-5)
6. <http://www.interreg4c.eu/uploads/media/pdf/exchange_experience_study_full.pdf> [↑](#footnote-ref-6)
7. More detailed information on the evaluation of the Structural Funds can be found on the following link: <http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm#1> [↑](#footnote-ref-7)
8. In particular, the RBA approach (<http://raguide.org>) established a clear distinction between population accountability and performance accountability [↑](#footnote-ref-8)
9. For more information, please refer to the Result Based Accountability approach [↑](#footnote-ref-9)
10. The European Neighbourhood Instrument, for more information see: http://www.enpi-info.eu/ [↑](#footnote-ref-10)
11. IPA: Instrument for Pre-Accession Assistance, supports candidate and potential candidate countries for membership to the EU. For details see: http://ec.europa.eu/enlargement/instruments/overview/index\_en.htm [↑](#footnote-ref-11)
12. The knock-out criterion applies when the information in the application form is so poor that it does not allow to assess it. It can also apply when the information provided puts in question the feasibility of the project proposal. [↑](#footnote-ref-12)
13. Under the conditions that sufficient funding is available [↑](#footnote-ref-13)
14. within approximately 4 weeks after the approval of the progress report by the JS [↑](#footnote-ref-14)
15. * If the hourly rate is indicated in the employment document (e.g. because the employee works on an hourly basis), this contractual hourly rate is multiplied with the actual hours worked on the project.

    [↑](#footnote-ref-15)