



Unterrichtung 19/356

der Landesregierung

Europäische Territoriale Zusammenarbeit - Das transnationale Ostseeprogramm (INTERREG VI 8), das interregionale Kooperationsprogramm (INTERREG EUROPE) und Interact

Die Landesregierung unterrichtet den Schleswig-Holsteinischen Landtag gem. § 5 Parlamentsinformationsgesetz (PIG).

Federführend ist das Ministerium für Justiz, Europa und Verbraucherschutz

Zuständiger Ausschuss: Europaausschuss

Minister

Der Präsident
des Schleswig-Holsteinischen Landtages
Herrn Klaus Schlie, MdL
Düsternbrooker Weg 70
24105 Kiel

19. Oktober 2021

Europäische Territoriale Zusammenarbeit - Das transnationale Ostseeprogramm (INTERREG VI B), das interregionale Kooperationsprogramm (INTERREG EUROPE) und Interact

Sehr geehrter Herr Präsident,

anliegende Entwürfe des INTERREG VI B Ostseeprogramms 2021-2027, des Kooperationsprogramms INTERREG EUROPE 2021-2027 und von Interact 2021-2027 sende ich gemäß § 5 des Parlamentsinformationsgesetzes (PIG-SH) zur Kenntnis.

Mit freundlichen Grüßen



Claus Christian Claussen

Anlagen:

1. Entwurf des Kooperationsprogramms Ostsee INTERREG VI B,
2. Entwurf des Kooperationsprogramms INTERREG Europe,
3. Entwurf des Programmdokuments Interact

Programme version updated based on comments from the Commission (state 07 July 2021).

TEMPLATE FOR INTERREG PROGRAMMES

CCI	[15 characters]
Title	[255] Interreg Baltic Sea Region
Version	0.1
First year	[4] 2021
Last year	[4] 2027
Eligible from	
Eligible until	
Commission decision number	
Commission decision date	
Programme amending decision number	[20]
Programme amending decision entry into force date	
NUTS regions covered by the programme	
Interreg strand	Strand B – Transnational cooperation

Note: Following the publishing of the final set of regulations on 1 July 2021, all references to the final regulations were updated and marked in the entire document. This includes also changes to the programme template, which was subject to minor changes as well.

1. Joint programme strategy: main development challenges and policy responses

1.1. Programme area

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

Interreg Baltic Sea Region covers eleven countries, eight of them EU Member States (Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden) and three partner countries (Belarus, Norway and Russia).

The Programme covers an area of around 3.8 million km² with a population of more than 103 million inhabitants. It stretches from central parts of Europe up to its northernmost periphery. The programme area comprises European metropolitan areas such as Berlin, Copenhagen, Helsinki, Oslo, Stockholm, Warsaw and St. Petersburg. Still, major parts of the programme area are counted as rural. Settlement structures in the south are denser. Most rural areas are in close proximity to a city. In the northern, and to some degree also in the eastern part of the region, often, rural regions are characterised as remote. The Arctic regions in the northernmost part of the programme area represent specific challenges and opportunities in respect of remoteness, geographic and climate conditions.

The Baltic Sea region is characterised by regional differences. At the same time, the countries and regions share joint challenges. In the past two decades, many of them have successfully been addressed through transnational cooperation. A wide range of networks at national, regional and local level as well

as between business, the academic sector, and civil society have long been established. They contribute effectively to the territorial development in the region. Since 2009, the EU Strategy for the Baltic Sea Region (EUSBSR) has framed cooperation in the area. The policy areas and activities are defined in the accompanying action plan. To a great extent, the policy areas of the EUSBSR are corresponding to strategies and priorities of the partner countries.

1.2. Joint programme strategy: Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other funding programmes and instruments, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

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

Introduction

The EU Strategy for the Baltic Sea Region (EUSBSR) and its Action Plan provide the central reference to the Programme identifying the main joint challenges and cooperation needs in the region. In addition the Programme draws upon a large number of existing analyses, visions and strategies pointing out the cooperation needs for the region including the partner countries. The Programme is built on vast experience gained from previous programme periods as well as on the know-how of experienced pan-Baltic stakeholders and networks. The programming process was participative. In 2019, a review of strategic priorities in the BSR was carried out. ~~For the review,~~ Relevant pan-Baltic and national documents were systematically screened and analysed. The main findings regarding potential priorities for the Programme 2021-2027 were filtered out. Following the review, a Joint Programming Committee (JPC) was set up. Supported by the Managing Authority and the Joint Secretariat, the JPC selected the priorities for the Programme.

i) Main joint challenges of the Baltic Sea Region considering economic, social and territorial disparities and joint investment needs

Environmental state of the Baltic Sea and regional water resources

Having the Baltic Sea in the middle of the region and multiple water resources on land, sustainable water management plays a crucial role in the region's well-being and prosperity.

Water management in the region has improved in recent years. Many solutions have been developed and implemented across different sectors. However, **the environmental state of the Baltic Sea and inland waters is still endangered**. The overall goal of the Baltic Sea Action Plan by the Helsinki Commission (HELCOM) to reach good environmental status of the Baltic Sea by 2021 is not reached. According to HELCOM, 97% of the region is assessed as eutrophied due to past and present excessive inputs of nitrogen and phosphorus. The level of oxygen in the deep waters of the Sea is decreasing. Pressure on the marine environment and inland water bodies from contaminants is high. The ecosystem remains impacted by hazardous substances, dumped munition and litter. Climate change amplifies eutrophication symptoms, hence urging for further nutrient reductions. Further growing **effects of climate change** on the waters as well as coasts are also observed, for example, increasing occurrences of storms, floods, droughts and coastal erosion. Due to growing pressures and limited water resources in the region, there is also a demand to reuse, retain and recirculate waters.

These challenges are recognised in the Action Plan accompanying the EUSBSR along its objective 'Save the Sea'. It calls for further reduction of nutrient inputs from agriculture, aquaculture, forestry and urban

areas as well as use of hazardous substances across the macro-region. It also urges to address nutrients and hazardous substances already in the Sea and Sea bottom.

Further, the European Green Deal points out the need to more effectively reduce **negative impacts on ecosystems and pay greater attention to nature-based solutions**, including healthy and resilient seas and inland waters.

Sustainable water management has always been one of the core concerns of Interreg Baltic Sea Region. The Programme supported local and regional authorities in building up competences to prevent water pollution in urban and rural areas, develop agri-environmental measures for farms as well as administrative procedures on oil spill response. Pilot investments showcased how the application of new technologies supported water protection. Authorities and business worked together to decrease discharges of hazardous substances in the sea, manage underwater munitions, and remove marine litter. In urban areas, small businesses and households were taught to avoid hazardous substances in their daily consumption. However, the distribution of knowledge across the BSR is still uneven and needs to be improved as noted in one of the monitoring reports of Interreg Baltic Sea Region 2014-2020. Another noted shortcoming is insufficient outreach to a broader target group beyond the experts that already cooperate on the topic of sustainable water management. There is a need to share achievements and better market activities and possibilities towards not yet involved stakeholders in the field.

Thus, there is a need to stronger coordinate water management in the region. National and regional strategies urge for a **common BSR approach** as runoff or pollution in one area of the BSR affects other areas across the countries. Further, more effective implementation of actions across the whole region is required to demonstrate an impact towards protection of the sea, coast and inland waters.

Building capacity of public authorities, industries and smaller businesses as well as local communities in the BSR to reduce emissions of nutrients and hazardous substances remains an effective measure to combat pollution and address new challenges emerging due to climate change. **The BSR can build on the achievements of recent years, strengthen implementation, and effectively support positive developments by testing new solutions.** Additionally, **new approaches and instruments** have to be made available on national, regional and local level throughout the BSR.

Sustainable economic use of the Baltic Sea, marine and water resources

The Baltic Sea and regional water resources provide also ample opportunities for sustainable economic growth for the whole BSR. Blue economy enables innovative businesses to use water and marine resources more efficiently while supporting a healthy marine environment.

Blue economy bears great potential for important sectors in the BSR such as **shipping, biotechnology, fishery, coastal and maritime tourism**. Here, the BSR is in a privileged position: **established sectors of blue economy are already strong in the BSR**. Highly competitive and **innovative research and business sectors combined with strong cooperation networks already exist**. They are supplemented by other sectors that are remarkably progressing. These are assets for further strengthening blue economy in the BSR. However, there are still gaps in knowledge and support instruments how to incentivise businesses that use marine and fresh water resources sustainably, preserve ecosystems and increase resilience to climate change. At the same time, some businesses are less advanced in their environmental performance, pollute ecosystems leaving considerable environmental footprint. There is a strong urge to change this situation on the level of the whole BSR. According to the countries' strategies, the sustainable use of water, sea traffic management as well as preventing illegal discharges from ships will be in the focus in the upcoming years. Further, as the sea and water resources are used by multiple users from different sectors, there is a threat of conflicts. Thus, there is a need to strengthen coherence of approaches in maritime spatial planning and land-sea interactions.

These needs have been identified also by HELCOM activities where countries have agreed to promote environmental sustainability of maritime activities as well as in the Green Deal which underlines the importance to build up a sustainable blue economy for 'alleviating the multiple demands on the EU's [...] resources and tackling climate change'. The call for action is further strengthened through the new communication of the European Commission on a new approach for a sustainable blue economy in the EU Transforming the EU's Blue Economy for a Sustainable Future. Furthermore, EUSBSR Objectives 'Save the Sea' and 'Connect the Region' include **the sustainable use of water and marine resources as well as clean shipping and the joint use of sea space**. Continued and intensified **transnational cooperation** are pre-requisites to build upon blue economy as a constitutional element of the future of the region

Blue economy had been one of the Programme's thematic focus in the period 2014-2020. The Programme supported biotechnology, aquaculture, fishery and tourism businesses in developing new products from marine resources, with a view to advancing value chains in the region. The Programme also helped regional and national authorities to do better maritime spatial planning, and to investigate how to jointly use the sea space and coastal areas by several sectors. In addition, projects worked with the shipping sector and developed solutions to make it more sustainable and cleaner. However, as blue economy represents a new policy field, institutionalised knowledge and competence still need to be enhanced, according to one of the monitoring reports of Interreg Baltic Sea Region 2014-2020. Such competences build up slowly and need to be learned by newcomers. Even for established sectors like shipping knowledge is not sufficiently distributed and transferred.

As all countries in the BSR promote blue economy as one major driver for sustainable development, **transnational coordination and cooperation** can help to make efficient joint use of the sea and inland waters, and to open up new business opportunities. Promoting **transnational capacity building for authorities, industries and local communities** in the BSR helps in developing relevant solutions as well as continuous knowledge transfer. **Sustainable blue economy needs intensified cross-sectoral and multi-stakeholder approaches to trigger investments in new, marine-based products and services**. Additionally, countries around the Baltic Sea need to **better align maritime spatial planning, sea traffic management and joint use of sea and coastal space**.

The described challenges and needs of the two topics above will be addressed in the Programme in Priority 2 'Water-smart societies' under Policy Objective 2 and the specific objective v) 'promoting access to water and sustainable water management' which is translated to the two Programme objectives 2.1) 'Sustainable waters' and 2.2) 'Blue economy'.

Moving Baltic Sea region's economy from linear to circular model

Considering that **the Baltic Sea region has one of the world's largest ecological footprints per capita**, the management of the available resources becomes crucial aspect of its development. **Continuous economic growth leads to growing pressure**. BSR countries use increasingly more resources and generate more waste. According to the OECD, consumption of materials such as biomass, fossil fuels, metals and minerals is expected to double in the next forty years. Half of total greenhouse gas emissions come from resource extraction and processing. Thus, moving from linear to circular consumption and production patterns bears great potential to lower the emissions. Expanding circular economy can have a valuable impact of mitigating climate change.

Circular economy is a systemic and holistic approach regarding the use, recycling and re-use of resources. While it is often associated with the waste sector, the concept of circular economy goes far beyond. It includes an integrated approach to water, energy, transport, land use etc.

Some organisations in the region are already realising the potential of the circular economy e.g. by testing business models and products ensuring a greater lifespan of resources. However, the outreach of these activities is limited to single organisations or their consortia. In the BSR scale **there is a great scope to take a step forward e.g. by creating common norms for life-cycle assessments of products and systematising eco-design approaches.**

In addition, **the BSR organisations lack knowledge and experience in building industrial strategies enabling circularity in new areas and across different sectors.** Basing on the example of the European Strategy for Plastics the BSR sectors with high environmental impact like IT, electronics, textiles, furniture, food etc. could benefit from a similar holistic perspective. Together with responsible authorities, business and intermediaries need to enhance their capacity for joint solutions. **The small size of the national markets in the BSR and cost-efficiency call for macro-regional perspective e.g. in developing the markets for safe secondary raw materials.**

Developing circular bioeconomy is a priority in many of the smart specialisation strategies of the BSR regions and countries. Designing interregional measures requires building on unique endowment of the BSR with bio resources (e.g. from forests). This aspect is particularly highlighted in the policy areas of Innovation and Bioeconomy of the Action Plan to the EUSBSR.

To enable the change from linear to circular economy authorities of different levels have crucial role in providing the adequate framework. For example, **there is a need to remove administrative or legal barriers and agree whenever possible on common BSR standards.** The responsible authorities should continue building their capacity for **smooth application of the sustainable procurement approaches. Circularity also needs to be integrated in urban and regional planning processes** taking into account territorial specificities of the region. For examples, there is a great scope for the BSR cities to apply circular economy principles to e.g. reclaim the inner cities as high quality spaces for new working and living experiences.

Furthermore, an analysis made in the framework of the EUSBSR shows that **only a minority of the BSR regions has put emphasis on digitalisation** as an accelerator of non-linear development. There is a need to jointly explore potentials of digital models based on common standards.

Following demographic developments in the BSR the **transition towards circular region has to consider needs of vulnerable groups** whose well-being might be influenced through the transformation processes. Evaluation of the BSR countries shows also that the progress towards circularity requires **empowering of citizens to make informed choices.** This calls for soft capacity building measures.

Above mentioned challenges and opportunities are in line with the commitments EU made in the European Green Deal and the Circular Economy Action Plan.

Circular economy gained prominence only in recent years. Still, several projects across different objectives of Interreg Baltic Sea Region 2014-2020 have already addressed it. Project partnerships supported regional stakeholders in promoting circularity. They helped translate national and regional smart specialisation strategies into practical approaches for the regions. Additionally, the Programme promoted public procurement as a means to create demand for circular products and services, and offered support to businesses to create such offers. In parallel, some projects advanced circularity in their sectors e.g. reusing specific waste, or offering solutions supporting circularity in transport. These first attempts showed opportunities as well as some limitations of circularity that should be further explored in this Programme.

The described challenges and needs will be addressed in the Programme in Priority 3 'Climate-neutral societies' under Policy Objective 2 and the specific objective vi) 'promoting the transition to a circular and resource efficient economy' and is translated to the Programme objective 3.1) 'Circular economy'.

Energy consumption and green-house gas emissions

Looking at the level of energy consumption, the use of renewable energy and the reduction of emission of greenhouse gas we get to a mixed picture in the BSR. Since 1990, the overall energy consumption slightly decreased. Both, households and the industrial sector contributed. However, the development notably varies in different countries. More than half of **the building stock** in the BSR is still **energy inefficient** where heating systems consume excessive energy. A high proportion of industrial process heat is lost as unused waste. These sectors still rely a lot on fossil energy, **are energy inefficient and contribute to excessive green-house gas emissions.**

The share of fossil energy decreased, and there is a trend towards a rising share of renewable energy. While some countries in the BSR already succeeded in **making renewable energy a main pillar of their energy supply**, some lag behind. ~~Nevertheless,~~ The EU goals towards **reduced greenhouse gas emissions** and climate neutral energy systems have **not yet been reached**. There is a need to support a **coherent approach to production of renewable energy and its storage** in a climate neutral way across borders. Considering the ongoing climate change, the need to reduce the emissions becomes even more pressing.

Further, there is an urge to **address the energy transition holistically** to achieve a **more efficient handling of energy**. It means not only extending renewable energy within the power supply, but also integrating it in the building, industry and district heating as well as assessing green-house gas emissions in a coherent way across borders.

To underline this interconnectivity, the EUSBSR addresses more sustainable energy production and consumption as well. The objective 'Connect the Region' wishes to achieve an overall reduction of greenhouse gas emissions. It urges to facilitate application of the "energy efficiency first" principle in policy planning and investment decisions as well as ensure the delivery of the national renewable energy targets by 2030. Calls for action include a more efficient energy distribution, the increased use and integration of clean renewable energies, and a reduced demand for energy. The Nordic Council of Ministers' Vision 2030 emphasizes a need to address sustainable energy production and climate neutrality through cooperation as well.

Similarly, the European Green Deal emphasizes the objective of more decarbonised energy systems in the EU. It urges for the transition towards clean energy production, increased energy efficiency and the deployment of smart and innovative technologies and infrastructures (e.g. smart grids, sector integration).

Interreg Baltic Sea Region 2014-2020 prominently addressed energy efficiency and renewable energy production. Projects supported public authorities, businesses and communities in testing and applying solutions for renewable energy production, and distributing these concepts to the local and regional levels. The projects worked with various biological resources available in the region: biomass, wind and thermal energy. In addition, the Programme supported projects working with energy efficiency in cities. However, the transfer of knowledge across the BSR is insufficient as noted in one of the monitoring reports of Interreg Baltic Sea Region 2014-2020. In addition, there is a lack of understanding about the most up-to-date solutions and how to implement them.

Thus, further and reinforced transnational action is needed. Only by **combining expertise and competences** from all parts of the BSR, urgently needed reductions in greenhouse gas emissions can be

achieved. New solutions for **producing, storing and utilising renewable energy for all sectors** are required. More **energy efficiency and energy saving** initiatives must find a way to be implemented. Only by **implementing and integrating both of these elements**, true **low-carbon energy systems** can be established and **energy transition** ensured. **Enhanced capacities of public authorities** are indispensable. They are key enablers for decarbonising energy systems through future-oriented policies and regulations, development, sharing and introduction of good practices in this field as well as **mobilising citizens and industry**.

The described challenges and needs will be addressed in the Programme in Priority 3 'Climate-neutral societies' under Policy Objective 2 and the specific objective i) 'promoting energy efficiency and reducing greenhouse gas emissions' which is translated to the Programme objective 3.2) 'Energy transition'.

Greener and smarter mobility

In transition to a greener Baltic Sea region the mobility in cities, towns and the regions connected to them play a central role. For the BSR countries statistical data indicate an increasing mobility demand in recent years. Freight and passenger mobility have steadily been increasing, while there is a widely acknowledged **need to reduce greenhouse gas emission and other pollution from traffic** in cities and their hinterlands. The **need to change to green and alternative fuels** as well as to further **develop multimodal mobility** is pointed out also in the European Green Deal and the "Sustainable and Smart Mobility Strategy".

Urban areas of different size and their hinterlands are the core for transition to a greener and smarter mobility. The concept of functional urban areas is a territorial approach in developing and harmonising green mobility solutions. Due to the characteristics of the large parts of BSR also **small towns and rural areas as their hinterland need to be included**. In addition, the links between urban areas needs to be observed when developing green and smart mobility solutions. The experts reviewing capacity building processes in the framework of Interreg BSR 2014-2020 observed that there are forerunners on green mobility in the Baltic Sea Region and in transnational cooperation. The forerunners can support the ones, in particularly small towns, lagging behind. For example, there is added value for the whole region if the existing knowledge on developing Sustainable Urban Mobility Plans (SUMPs) and implementing actions in line with them is shared.

The EUSBSR also stresses the need to increase efficiency, and to minimise the environmental impact of mobility systems. For greening transport and mobility systems, it will not be enough to rely on national and regional actions. The approaches, targets and goals for sustainable mobility differ in Baltic countries. In order to make a real change to greener and smarter mobility in the region **there is a need to harmonise approaches and to create common standards** for green mobility. Despite the efforts of the past years, **silos thinking prevails**. Additional efforts are required to break up established routines and thus to be more sensitive to inter-disciplinary ways of thinking in the BSR. This is important for the development of advanced infrastructure as a prerequisite to attract more potential users to green transport and mobility offerings. The main users of the services, citizens and companies need to be involved. Transnational cooperation is needed for learning cross the region and identifying best solutions qualifying as standards. Furthermore, transnational cooperation is needed **in development and more intense application of digital tools** supporting better use of information and so the green transition in mobility and transport.

Interreg Baltic Sea Region 2014-2020 paid particular attention to support the greening of mobility systems. One of the specific objectives focused on urban areas. Here, projects helped cities adopt their infrastructure to more environmentally friendly solutions. The objective was to create multimodal

transport systems and to change the transport habits of citizens. Projects also promoted e-mobility solutions, and facilitated the provision of clean fuels.

Interreg Baltic Sea Region 2021-2027 has a good basis to build on existing results and combine them with digitalisation. Compared to the previous period, the Programme will focus exclusively on supporting green and intelligent transport and mobility solutions in cities, towns and their hinterlands including the links between them. Looking at the macroregional dimension, the Programme can become a driver of green and intelligent mobility solutions in cities, towns and rural areas connected to them. **Public authorities** will be important drivers of change. **They to need to be enabled to understand and support green digital solutions and tools.** Furthermore, **public, private and research sectors need to work together** to create and advance green mobility:

The described challenges and needs will be addressed in the Programme in Priority 3 'Climate-neutral societies' under Policy Objective 2 and the specific objective viii) promoting sustainable multimodal urban mobility; as part of transition to a net zero carbon economy which is translated to the Programme objective 3.3) 'Smart green transport.'

Resilience of BSR economies and communities

From early 2020, the Covid-pandemic has influenced the programming process. The Programme is not designed as an instrument to directly address its impacts. Nevertheless, the Programme countries highlighted the need to accommodate **the new socio-economic situation of the region.** They considered the pandemic as an example of major external disturbances and took strategic decision to **increase preparedness of the BSR on the macro-regional scale.**

Globalisation brought many positive effects for economies and societies of the BSR. Equally, it implied a stronger **dependency on global developments.** This dependency in recent years turned in some areas into threat. In order to safeguard the competitive advantage of the region there is a need to continue work on the BSR innovation ecosystem from this perspective. This requires **rethinking how skills for entrepreneurship, industrial transition and smart specialisation are built in the region and how they can be used as means to increase resilience.** In this context skills are understood broadly as all capacities necessary to transform BSR economies and communities towards higher levels of resilience.

Resilience describes the ability to respond to external disturbances such as severe recessions and financial crises, downturns of particular industries, or major health crises. Resilience also refers to a society characterized by strong social cohesion and a shared system of values. Unexpected shocks can have tremendous and persistent effects. It is important for a region's economies and societies to be able to avoid the unwanted external impacts, withstand them or recover quickly from them. This also implies the ability to detect and monitor potential vulnerabilities. Building skills for resilience also **implies finding right balance between global value and supply chains as well as local and regional production patterns and services**

One key aspect in innovative resilience building is **reinforcing capacities for smart specialisation approaches** with a focus on topics in which the BSR is already strong and highly competitive. The experts reviewing capacity building processes in the framework of Interreg BSR 2014-2020 highlighted that the strategies took an important step forward from 2015 and the years after. But, recently, little has been done on really implementing the strategies or increasing resources or capacities in line with the proposed entrepreneurial discovery processes. Another challenge is uneven distribution of resources across the territory. **Smart specialisation processes are highly concentrated in capital and larger cities, with almost no effect on peripheral territories.**

Further, **digitalisation** needs to be accelerated to connect actors throughout the BSR, and to give quick and flexible responses to unexpected events. To further improve BSR innovation ecosystem there is a need to go beyond economic factors. This calls for **increasing engagement of social partners and strengthening the regional identity** based on the cultural diversity and heritage, and the common European values.

These needs are well backed by the EUSBSR Objective 'Increase prosperity' and the policy area 'Innovation' pointing out the importance to **further improve the global competitiveness of the BSR**. This can be achieved by supporting an **enhanced macroregional collaborative ecosystem for innovation, research, SMEs and digitalisation**. It is highlighted that region's global competitiveness depends also strongly on the **ability to adapt to changing conditions**.

Putting emphasis on the above-mentioned needs allows to create the innovation framework based on skills which are crucial for implementation of the challenge driven themes of green transition in Policy Objective 2.

Interreg Baltic Sea Region 2014-2020 did not directly address the concept of building resilience of economies and societies when considering the innovation potential of the region. However, some projects had incorporated elements of resilience building. This concerns in particular sustaining businesses in difficulties, and looking for successors. Additionally, the Programme explored how to model smart specialisation approaches to achieve macro-regional growth, and to sustain the economy in the long-term. In parallel, some projects identified possibilities of local sourcing of goods as a way to strengthen economies and societies. These attempts showcased feasibility of resilience building in a transnational context. The current Programme aims at **more systematic approaches**. Societal and economic resilience building will be the core of projects' interventions.

The described challenges and needs will be addressed in the Programme in Priority 1 'Innovative societies' under Policy Objective 1 and the specific objective iv) 'developing skills for smart specialisation, industrial transition and entrepreneurship' which is translated to the Programme objective 1.1) 'Resilient economies and communities.

Innovation potential of the public sector

The BSR is characterised by the **well-established structures and strong role of public authorities**. **Public authorities face budgetary constraints** in all the BSR countries, however. There is a **high pressure on the authorities to keep or improve level of services they offer** to the public despite the budgetary cuts. Thus, there is a high need to invest in reorientation of public services in the BSR. The public services are understood as services intended to serve all members of the community, e.g. health care, urban planning or social services.

According to the OECD Observatory of Public Sector there is **still limited knowledge of what tools public authorities can use to overcome innovation barriers** and strengthen organisations' capacity to innovate. Public sector organisations in the BSR often lack abilities to interpret demand from the users and evaluate success of the new solutions. Their organisational cultures hinder innovation by pointing out high costs of potential failures in comparison to gains.

In the context of public service delivery, many regions and countries in the BSR underline the importance to effectively manage the digital transition. **Modernisation of public services is a race against the rapid development of new technologies** e.g. blockchain, big data analytics or artificial intelligence which can increase efficiency and adapt public services specifically to the needs of citizens. In line with the study of EC Joint Research Center on the potential of digital public services, typically authorities and agencies innovate their processes in small scale pilots. However, the pilot owners have

limited capacity to share results and lessons learnt in a structured way. From the perspective of regional and national decision-makers, this can only be achieved effectively through transnational knowledge transfer and collaboration between public authorities in the different parts of the BSR.

Another aspect is the **limited experience of BSR authorities in engagement of citizens in transforming of public services**. This issue gained importance recently. It proved to be the key to adjusting the services to the specific needs of citizens in regions with different territorial and demographic developments. This is of particular importance considering that the **urban-rural divide** presents one of the major challenges for the cohesion of the BSR.

Further specific challenges are related to creation of transnational public services. Many of today's societal challenges in the BSR **call for interaction of the public authorities and specialised agencies across national borders**. However, the public authorities lack models how to organise such cooperation in an efficient way. Another hindrance relates to lack of technical, legal and organisational interoperability for particular services in different BSR countries.

Reorientation of public service delivery is closely linked to the European Green Deal. It highlighted the need to develop new and innovative solutions and services as a key success factor. This explicitly implies the public sector. For example, the public sector can be a forerunner of applying green solutions.

These above specified needs are also in line with the policy area 'Innovation' of the EUSBSR which points out the increased application of digital technologies and more innovative processes in public services delivery for tackling societal challenges.

Interreg Baltic Sea Region 2014-2020 did not explicitly address public service delivery. Still, several projects across different objectives had picked up the topic. The Programme particularly supported introducing innovative service offers for health and well-being. It created transport services designed especially for the needs of rural areas affected by demographic change. Other projects targeted specific vulnerable groups to deliver better social services. One example was to adjust public spaces for those groups. To summarize, the Programme 2014-2020 paved the way for "greener" solutions, created opportunities for business and whenever appropriate, cut across different sectors.

These challenges and needs will be addressed in the Programme in Priority 1 'Innovative societies' under Policy Objective 1 and the specific objective i) 'developing and enhancing research and innovation capacities and the uptake of advanced technologies' which is translated to the Programme objective 1.2) 'Responsive public services'.

Cooperation and synergies among EU funded projects in the region

In the EU and beyond, the BSR is regarded as a front-runner of cooperation across borders. Interreg Baltic Sea Region, covering the whole region, boasts multiple achievements in several thematic areas. There are also other EU funding sources in the region: Interreg cross-border and interregional funds for regional development, HORIZON and BONUS (future BANOS) for research and innovation, as well as LIFE for environment and climate action. There are programmes and initiatives supporting transport and maritime sectors. Special funds support cooperation between EU Member States and neighbouring countries in the region. Projects funded by the EU and the partner countries cover the overall area, not only the EU part. They produce useful results for their stakeholders, like public authorities at local, regional and national level, specialised agencies, pan-Baltic organisations, NGOs, industry, and citizens.

It is, however, not an easy task to orientate oneself in these multiple results already achieved, let it be funded by Interreg Baltic Sea Region, or by other programmes. That is why public authorities and other target groups of the Programme need assistance when searching for results in one particular thematic

area. The topic might have been addressed by different EU funding programmes. There is big potential to identify complementarities and create synergies of results.

In the period 2014-2020, Interreg Baltic Sea Region introduced a new instrument called 'project platforms'. The concept included linking projects from the Programme with projects from other programmes in one thematic area, and bundling the results they produced. Project platforms facilitated access to new knowledge created in many projects from various EU funding sources in a streamlined way. They helped end users navigate more target-oriented when looking for results in a specific thematic area. Platforms also created synergies across EU funds. They made sure that project results achieved a broader impact. Both policy-makers and practitioners collaborated in several thematic project platforms. Altogether nine project platforms were established. They covered the topics of smart specialisation, waste and storm water management, nutrient and water management in agriculture, energy efficiency, blue growth and maritime spatial planning, interoperability of transport modes, maritime safety and clean shipping. In addition to Interreg BSR projects, platforms included partners from Interreg Central Baltic, South Baltic, Interreg Europe, BONUS, and Horizon 2020. The platforms cooperated successfully with the coordinators of the EUSBSR policy areas as well as with pan-Baltic organisations, like HELCOM, the Conference of Peripheral and Maritime Regions Baltic Sea Commission, the Union of the Baltic Cities and the Council of the Baltic Sea States.

There is a need to continue **supporting public authorities and other organisations** in getting **easier access to multiple results of different EU funding programmes**. Covering the whole region, Interreg Baltic Sea Region have good capacity to link various projects and partnerships **in line with the Programme's thematic priorities**. Special attention should be paid to engage more projects from other programmes, including projects funded by the partner countries. This will result into even **stronger synergies among different EU funding sources** in the region. Platforms are expected to better respond to the **needs of the public authorities and other target groups** of the Programme. Setting up communication channels and learning tools to reach out to these organisations will be crucial. Organisations should be in a position to integrate results from multiple projects into their daily work. Policy makers will be addressed in a coordinated way.

The described challenges and needs will be addressed in Programme in Priority 4 'Cooperation governance' under the Interreg-specific objective of 'a better cooperation governance' and the action f) 'other actions to support better cooperation governance' which is translated to the Programme objective 4.1) 'Project platforms'.

Macro-regional governance

The EU Strategy for the Baltic Sea Region (EUSBSR) provides a unique platform for cooperation and coordination on priorities important for the countries in the region. The EUSBSR focuses on challenges and opportunities which are more efficiently addressed when working in a coordinated manner across countries within the region. In order to reach this, it needs to engage a multitude of different organisations in planning and realising actions across the whole region. It should also facilitate the work on common priorities with the partner countries in the region. Implementing the EUSBSR Action Plan requires efficient coordination among institutions responsible for these actions and active engagement of other stakeholders. It remains a challenge of the EUSBSR to mobilise different funding sources for the implementation of the Strategy.

A well-functioning governance structure is needed for the implementation of the Strategy. The central elements of the EUSBSR governance structure are national coordinators (NCs) and coordinators of the EUSBSR policy area (PACs), supported by their steering groups. The group of NCs is a core decision-making body which task is to provide leadership, strategic guidance and coordination as well as ensure capacity building, communication, monitoring and evaluation of the EUSBSR. PACs manage,

coordinate and develop their policy areas, monitor and report to steering groups on the PA progress and ensure communication. The Annual Forums of the Strategy have served as a meeting place for a large number of participants. Governments, international organisations, NGOs, universities, local and regional administrations, business and media met to debate selected topics of the Strategy.

Over the last years, there was progress regarding the governance and administrative capacity of the EUSBSR. However, it turned out that the governance needs to be further improved to strengthen its efficiency. The revision of the Action Plan in 2020 addressed the governance challenges. In addition to sharpening the existing structures, establishing a Baltic Sea Strategy Point was proposed. It should consolidate important functions of communication and capacity building as well as provide administrative and technical support for the EUSBSR management, development and implementation.

Funding for implementing and governing the EUSBSR is intended to come from existing financial sources, in particularly EU funding programmes. Organisations taking over a PAC role are expected to allocate own resources for this task, complemented with financial support from Interreg Baltic Sea Region. Additional funds from the Programme in period 2014-2020 helped PACs to successfully initiate and drive policy discussions, implement essential networking activities, for example, organise steering committees as well as meetings with civil society groups, conferences, training sessions, and surveys. The Programme supported the Annual Forums of the Strategy with 85% co-funding. In addition, the Programme granted funds for communication activities and capacity building of the EUSBSR. In many actions, the EUSBSR stakeholders established cooperation with the partner countries to work on common priorities.

In the 2021-2027 period, Interreg Baltic Sea Region continues supporting the implementation of the Strategy, including its governance in line with the revised Action Plan. However, the Programme budget will be limited. It cannot cover all needs of the EUSBSR. Therefore, it is important to select **specific elements of the EUSBSR governance that Programme funds should support**. In close cooperation with the NCs the programme countries agreed to focus the Programme funding to the following elements of the governance: core functions of the **Baltic Sea Strategy Point**, support to **organisation of Strategy Forums**, and **funding to PACs for their coordination tasks**. In addition, **PACs need further support to better engage stakeholders** and for identifying funding sources for transnational development processes and projects in their field.

In the future, cooperation with the **partner countries** should be encouraged in all governance actions. There is a need for exploiting **synergies** between the EUSBSR and the strategies of the partner countries. At the same time, work on common priorities needs to be firmly anchored.

The described challenges and needs will be addressed in Programme in Priority 4 'Cooperation governance' under the Interreg-specific objective of 'a better cooperation governance' and the action d) 'enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies' which is translated to the Programme objective 4.2) 'Macro-regional governance'.

Overall Programme Objective and Value Statements

The participating countries of Interreg Baltic Sea Region see the main added value of the Programme in transnational cooperation and capacity building related to the variety of challenges and opportunities that the countries in the region have in common. The Programme offers tools for cooperation in developing and testing solutions for the challenges. In this way the Programme supports in particular

the implementation of the EU Strategy for the Baltic Sea Region and the linking strategies of the partner countries. Therefore, a rather wide thematic scope is defined for the Programme.

The conclusion of the programming process was to focus the Interreg Baltic Sea Region on the Policy Objective 2 “a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility”. The Programme budget reflects this focus. Furthermore, the analyses showed that the Programme should support transnational cooperation in challenges and opportunities related to Policy Objective 1 “a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity.” The Covid-19 pandemic made these needs even more evident. In addition, in order to support better cooperation and macro-regional governance the Programme contributes to the Interreg Specific Objective 1 “a better cooperation governance.”

The overall programme objective constitutes the umbrella for the Interreg Baltic Sea Region Programme 2021-2027: **‘To put into practice innovative, water-smart and climate-neutral solutions through transnational cooperation for the benefit of the citizens across the Baltic Sea region.’**

The following three elements describe the value statement of the Programme that guide all actions to be funded:

Supporting transition: The Programme should create suitable framework conditions in the Baltic Sea region for supporting the transition towards greener and more resilient societies and economies through transnational cooperation. Digitalisation is a central enabler in this transition.

Customer orientation: The Programme should be demand-driven and support public authorities in meeting the needs of their target groups (e.g. companies and communities).

Transfer of knowledge and capacity building: Transfer of knowledge is an important component of transnational activities in all policy objectives. Future projects should also support capacity building to increase public awareness and behaviour-change.

In line with the Common Provision Regulation, the Programme ensures that the principles of gender equality and non-discrimination will be applied.

Interreg Baltic Sea Region strongly supports also the United Nations Sustainable Development Goals (UN SDG) and targets of the 2030 Agenda for Sustainable Development. Goal 8 (Promote sustained, inclusive and sustainable economic growth), goal 13 (take urgent action to combat climate change and its impacts) as well as goal 14 (conserve, and sustainably use the oceans, seas and marine resources) will be in focus.

ii) Complementarity and synergies with other funding programmes and instruments

Programme authorities explored complementarities and synergies with other funding programmes and instruments via thematic networks and cooperation platforms, often organised by Interact. The strongest links exist with authorities of the Interreg programmes in the BSR and with Interreg Central Europe and North Sea Region. Furthermore, the Programme search for synergies with Horizon Europe programmes, for example, on sustainable blue economy, and continue ~~are actively~~ the cooperation with the marine research programme BANOS (former BONUS).

Thematically, there are similarities between Interreg Baltic Sea Region and the major cross-border programmes in the area (South Baltic, Central Baltic and Öresund-Kattegat-Skagerrak Programmes). In particular topics under Policy Objective 2 are strongly supported by all these programmes. The

experience shows, however, that the projects of the CBC programmes differ from the transnational Interreg Baltic Sea Region. Projects of the CBC programmes usually address the topics from local and regional point of view, embracing neighbours and their culture when looking for common solutions. Interreg Baltic Sea Region projects work on common challenges, exchange on good practices, build strategies and prepare solutions on a broader Baltic Sea region scale. Yet, projects with similar thematic focus will be encouraged to exploit synergies. The managing authorities and joint secretariats will scrutinize project applications to discover potentials for collaboration, and to avoid double financing. Interreg Baltic Sea Region projects will be asked already in the application form to indicate projects they are based on or will have synergies with. Often projects of the CBC programmes can serve as fruitful pilot cases in the larger Interreg Baltic Sea Region projects.

Project platforms are a central tool of the Programme to support cooperation among project partners from different programmes and to create synergies. Further the Programme is encouraging coordination under the framework of the EUSBSR policy areas for synergies among projects from different programmes for the benefit of the whole region. Here national and regional programmes are appropriate funding sources to roll out Interreg project results with good potential for further uptake in a specific country or region.

Coordination between Interreg Baltic Sea Region and other Cohesion Policy funds as well as with Recovery and Resilience Facility on national level will be ensured by the authorities represented in the transnational monitoring committee and in national sub-committees. These authorities will assess the strategic relevance and complementarity of project applications in Interreg Baltic Sea Region in relation to interventions funded on national level.

iii) Lessons-learnt from past experience

Interreg Baltic Sea Region 2014-2020 was evaluated internally and externally. In 2018, an external mid-term evaluation on the impacts, on efficiency and on selected aspects of Programme implementation was carried out. All specific objectives were thoroughly analysed. Additionally, internal operational evaluations were carried out every year since 2016. Overall, the results of the evaluations confirmed the effective and efficient implementation of Interreg Baltic Sea Region. The evaluators highlighted the considerable contributions to the specific objectives the EUSBSR.

The results from the evaluations were considered in the programming of Interreg Baltic Sea Region 2021-2027. Lessons learned regarding needs of the region have been included above. Particularly effective funding approaches have been developed further. New instruments will build upon achievements of the 2014-2020 period.

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

Reference: point (c) Article 17(3)

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection

<p>PO 1 a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity</p>	<p>iv) developing skills for smart specialisation, industrial transition and entrepreneurship</p>	<p>1 Innovative societies</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Rethink how capacities for entrepreneurship and industrial transition are built in the region • Further develop capacities for smart specialisation to achieve higher macro-regional growth and sustain the economy in the BSR long-term • Build skills for higher adaptability of the BSR to unforeseen developments: increase capacity to avoid unwanted impacts from external disturbances, withstand them or recover quickly from them • More effectively untap the potential of digitalisation • Increase ability and improve facilities to monitor potential vulnerabilities • Develop capacities to find the right balance between reducing dependency and connecting to global supply and value chains • Increase engagement of social partners in the BSR innovation ecosystem • Further strengthen the regional identity in BSR based on the cultural diversity and heritage and the common European values
<p>PO 1 a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity</p>	<p>i) developing and enhancing research and innovation capacities and the uptake of advanced technologies</p>	<p>1 Innovative societies</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Improve organisational culture at public authorities hindering innovation • Improve organisational set-ups and processes to respond to public needs and to deliver less bureaucratic and more cost-efficient public services • Increase ability of public sector to evaluate success of the new solution • Foster application of new technologies in public service delivery • Increase the role of public sector as a forerunner in applying green solutions • Develop more systematic public responses that cut across sectors and borders, improve interoperability of services • Create needs-based services that reflect territorial specificities • Increase scalability of pilot solutions,

			<ul style="list-style-type: none"> • Increase the engagement of citizens in transforming public services
<p>PO 2 a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</p>	<p>v) promoting access to water and sustainable water management</p>	<p>2 Water smart societies</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Prevent and reduce water pollution • Improve water management across sectors • Strengthen a common approach to combatting pollution • Build capacity of authorities, industries and local communities to manage waters sustainably • Adapt water management practices to changing climate conditions and build upon good practices • Further strengthen the implementation of available solutions and effectively support recent positive developments by testing new solutions to emerging challenges in the field of water management • Secure a healthy ecosystem in the sea and inland water bodies • Ensure a sustainable use of fresh and sea waters as well as marine resources • Effectively build upon strongholds and emerging sectors in blue economy through supporting highly competitive and innovative research and businesses initiatives • Support development of new sustainable and climate-resilient solutions in blue economy sectors and transfer this knowledge across the whole region • More effectively mitigate potential conflicts among users of the sea space and facilitate its joint use
<p>PO 2 a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular</p>	<p>vi) promoting the transition to a circular and resource efficient economy</p>	<p>3 Climate-neutral societies</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Keep the economies in the BSR growing without hampering the environment and inducing further climate change • Build upon the ongoing initiatives and developments in transforming the economies towards circularity, upscale existing circular approaches • Establish a systemic and holistic approach cutting across different sectors

economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility			<ul style="list-style-type: none"> • Take macro-regional perspective in developing the markets for circular goods • Build industrial strategies enabling circularity for the BSR sectors with high environmental impact • Integrate circularity in urban and regional planning processes • Redefine smart specialisation approaches to advance the shift towards circularity • Effectively untap the potential of digitalisation as a means of achieving a resource-efficient economy • Consider needs of vulnerable groups whose well-being might be influenced through the transformation for circularity • Build awareness of circular opportunities, for businesses as well as the society in all parts of the BSR
PO 2 a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility	i) promoting energy efficiency and reducing greenhouse gas emissions	3 Climate-neutral societies	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Support the positive trend towards a rising share of renewable energy and improved energy efficiency in the BSR • Address energy transition holistically • Strengthen modern and climate neutral energy production and storage • Increase the energy efficiency in industrial production processes as well as in public and private building stock • Adapt policies as well as coordinate plans and application of solutions across borders • Mobilise industry and citizens to apply energy solutions for climate neutrality
PO 2 a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition,	viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy which is translated to the Programme objective	3 Climate-neutral societies	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Build upon ongoing initiatives for a transformation towards a low carbon society by reducing greenhouse gas emissions from transport in cities, towns and their hinterland

<p>green and blue investment, the circular economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility</p>			<ul style="list-style-type: none"> • Create effective green multimodal transport systems in cities, towns and their hinterland and connecting them also cross borders • Harmonise approaches to create common standards for green mobility • Increase efficiency of mobility solutions by using digital solutions • Further foster the use of renewable fuels and e-mobility solutions • Break up established routines and advance integrated territorial approaches • Mobilise transport companies and citizens to actively use green and intelligent mobility solutions • Enhance the capacity of public authorities in urban and regional planning with regard to green and intelligent mobility solutions
<p>ISO 1 a better cooperation governance</p>	<p>f) other actions to support better cooperation governance</p>	<p>4 Cooperation governance</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Build upon the position of BSR as one of the front-runners of transnational cooperation in the EU and beyond • Identify and uncover complementarities and make effective use of synergies across EU funds in the BSR • Strengthen communication between stakeholders of different EU funds • Bring the results of various projects funded by the EU and partner countries to stakeholders in the BSR in an even, more structured way • Help public authorities and other organisations access project results more easily • Communicate and transfer project results to broader target groups
<p>ISO 1 a better cooperation governance</p>	<p>d) other actions to support better cooperation governance</p>	<p>4 Cooperation governance</p>	<p><u>Programme support for transnational cooperation is needed in the BSR for the following:</u></p> <ul style="list-style-type: none"> • Build upon progress made in recent years regarding governance and administrative capacity of the EUSBSR • Even more efficient coordination of the planning and implementation of the EUSBSR • More targeted information to regional and EU stakeholders about the progress and achievements of the EUSBSR Action Plan

			<ul style="list-style-type: none"> • Enhanced cooperation with the partner countries to ensure synergies between the EUSBSR and the strategies of the partner countries • Increased administrative, communication and capacity building assistance for relevant stakeholders • Improved administrative and technical support for the EUSBSR management, development and implementation • Stronger engagement of politicians, different levels of governance and civil society
--	--	--	---

2. Priorities [300]

Reference: points (d) and (e) of Article 17(3)

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

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

1. Innovative societies

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

2.1.1. Specific objective (iv) developing skills for smart specialisation, industrial transition and entrepreneurship

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

2.1.1.1. Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Programme objective 1.1 Resilient economies and communities

Introduction to actions

Innovative and resilient economies and societies are necessary for the long-term prosperity of the Baltic Sea region. In this objective, the Programme supports actions that make both economies and societies more resilient. Resilience is understood as the ability to respond to external disturbances such as severe recessions and financial crises, downturns of particular industries or major health crises. Resilience also refers to a society characterised by strong social cohesion and a shared system of values. As unexpected shocks can create tremendous and persistent damage to the region, the Programme encourages actions that help to avoid unwanted external impacts, withstand them or recover quickly from them. This also implies being able to monitor potential vulnerabilities. Building BSR resilience is understood as part of European efforts to achieve higher level of self-sufficiency in the critical sectors and strengthening identity based on common European values, culture and heritage.

Since the Baltic Sea region increasingly needs to cope with interlinked challenges, the Programme encourages experimentation, “thinking outside the box” and working across different sectors to find suitable solutions. The solutions developed within this objective need to contribute to increasing innovativeness of the region. Wherever appropriate, the actions should consider uneven territorial developments, e.g. different effects of a disturbance on the urban and rural areas. Where suitable, the actions should untap the potential of digitalisation to increase adaptability of the region.

Furthermore, the Programme pays special attention to adjustments of the innovation ecosystems to support resilience building. The ecosystem is understood as ability of multiple and interconnected stakeholders to work together effectively using available resources e.g. financial and human. Exiting policies and regulations as well as culture supportive to innovation are other important elements of the ecosystem. Furthermore, the solutions developed by projects should adapt smart specialisation approaches to reinforcing the region’s resilience at the macro scale. This implies finding the right balance between reducing dependency and connecting to global supply and value chains.

Non-exhaustive list of example actions:

- Developing models that reduce the dependency of the BSR on global supply chains and increase the ability to produce critical goods in the region;
- Redesigning smart specialisation approaches and redefining connections to global value chains to strengthen resilience of the Baltic Sea as a macro-region;
- Developing and testing mechanisms that manage economic and societal challenges in the BSR macro-region in a coordinated fashion, e.g. piloting smart health solutions;
- Exploring the potential of sustainable consumption patterns based on local services and goods and strengthening a common identity of the BSR as a source of these goods and services;
- Exploring solutions (e.g. digital) that enable services and production in the BSR to scale and shrink in response to sudden demand fluctuations, minimising negative impact on human welfare;
- Exploring solutions to assist business with recovery following unexpected external disturbances, e.g. developing new or adapting existing business support programmes, implementing efforts to diversify the industrial base, developing risk management tools for whole sectors (e.g. creative industries) and risk response strategies;
- Piloting actions that strengthen societal resilience through cultural change, behavioural shifts and mobilising creativity, e.g. promoting smart working solutions, testing mechanisms supporting vulnerable social groups;
- Piloting actions that strengthen cohesion and regional identity by using culture as means for social inclusion and social innovation;
- Piloting actions solving specific challenge in building resilience through better connections between research and regional innovation systems.

Expected results and their contribution to the selected specific objective

The Programme’s main target groups increase their capacities for applying smart specialisation approaches, industrial and societal transition as well as entrepreneurship. The supported actions foster new understanding of skills required to develop and test solutions sustaining BSR economy long-term and under pressure of rapidly changing external circumstances. They particularly increase capacity to avoid unwanted impacts from external disturbances, withstand them or recover quickly. The actions

recognise importance of building skills of all players in the innovation ecosystem. They particularly reinforce meaning of communities in the innovation processes. This contributes to building resilience of the Baltic Sea region taking into account uneven territorial developments and unequal impacts on different social groups.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and connect the region. In particular, they support the policy area (PA) Innovation by promoting new approaches to smart specialisation, ecosystem thinking and digitalisation. Furthermore, the actions aim to turn challenges into opportunities for sustainable growth in the Baltic Sea region. In line with the expectation of PA Innovation, they address the need for coordinated macroregional responses going beyond any specific crisis and creating a long-term vision for innovation policy in the region.

2.1.1.2. Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
1	iv	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	34	<p>Core projects</p> <p>Estimated number of projects: 11</p> <p>On average, each project is expected to perform 3 pilot actions. (33 pilot actions in total)</p> <p>Small projects</p> <p>Estimated number of projects: 5</p> <p>On average, 20% of the projects are expected to perform 1 pilot action (1 pilot action in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the regular projects is expected to be finalised by the end of 2024.</p>
1	iv	RCO87	Organisations cooperating across borders	Organisation	21	343	<p>Core projects</p> <p>Based on statistical data, on average, each project is expected to involve 13 project partners and 15</p>

							<p>associated organisations (308 organisations in total).</p> <p>Small projects</p> <p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (35 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised, involving 21 organisations in total. None of the core projects is expected to be finalised by the end of 2024.</p>
1	iv	RCO116	Jointly developed solutions	Solution	1	18	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 17 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (1 solution in total)</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	iv	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation	0	2022	468	Progress reports of projects	<p>Core projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (418</p>

									organisations in total). Small projects It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per project will increase their institutional capacity (50 organisations in total).
1	iv	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	12	Progress reports of projects	Core projects On average, each project is expected to develop 1 solution that will be taken up or up-scaled (11 solutions in total) Small projects On average, 20% of the projects are expected to develop 1 solution that will be taken up or up-scaled (1 solution in total).

2.1.1.3. The main target groups

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

The Programme targets public authorities at local, regional and national levels, business support organisations, specialised agencies, and infrastructure and service providers as the main forces responsible for the structural transition into a more resilient and innovative region. The Programme encourages citizen involvement through specific NGOs. Wherever appropriate, e.g. for the purposes of practical testing of the solution, the Programme supports directly involving enterprises. Higher education and research institutions as well as education and training centres may join transnational cooperation actions to support the main target groups with additional expertise and competence. This particularly concerns building structures to strengthen the innovative potential of the Baltic Sea region. Furthermore, the Programme supports linking competences across different sectors.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address challenges and opportunities of the whole Baltic Sea region and encourage approaches at the macro-regional scale. To allow for a just transition and the most efficient exploration of existing potential, differences between specific types of territories should, wherever appropriate, be considered. For instance, actions should take into account the different effects of an external disturbance like a financial crisis on urban and rural areas.

2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.1.1.6. Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	iv	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	iv	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	iv	33	(to be added when final budget figures are known)

2.1.2. Specific objective (i) developing and enhancing research and innovation capacities and the uptake of advanced technologies

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

2.1.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Programme objective 1.2 Responsive public services

Introduction to actions

A growing complexity of societal challenges in the Baltic Sea region highlights the weaknesses of existing traditional mechanisms of developing solutions in the public domain. The Programme supports actions that improve organisational set-ups and processes to respond to public needs and to deliver less bureaucratic and more cost-efficient public services. These public services are services for all members of the community. They cover e.g. health care, urban planning and social services.

As the nature of challenges for the public sector is rapidly changing, the Programme highlights the importance of building the capacity of public authorities, specialised agencies and infrastructure and service providers to innovate and invent new solutions that are more responsive to change. The actions within this objective should develop systematic public responses that cut across sectors and borders where appropriate. The Programme supports benchmarking solutions across countries to create incentives for public organisations to improve the quality of their delivery. Whenever possible it aims at harmonisation of systems and standards among participating countries. The Programme also reflects territorial specificities, e.g. of rural or remote areas, and promotes mechanisms for tailor-made needs-based services.

Furthermore, the actions should incorporate new perspectives, particularly those of staff directly involved in service delivery and citizens. The Programme encourages interaction between public service providers and the wider community of users. Enhancing social innovation and empowering citizens is enabled e.g. through new technologies facilitating data generation, use and sharing. Additionally, the Programme encourages the application of emerging digital technologies like artificial intelligence or blockchain as important enablers of more responsive public services. The Programme paves the way for resource-efficient and environmentally-friendly public offer for citizens, creating direct opportunities for businesses e.g. through innovative partnerships.

Non-exhaustive list of example actions:

- Testing unconventional approaches that reduce costs and bureaucracy as well as make public services more effective, e.g. piloting needs-based, data-driven, cross-sectoral approaches to planning.
- Developing integrated public services tailored to the needs of functional regions and specific territories, e.g. solutions taking into account the settlement structures and demographic trends in rural areas to ensure remote access to services;
- Developing common standards and establishing sustainable, inclusive and trustworthy digital public services in the Baltic Sea region including by piloting interoperable public services e.g. testing and developing new data-based health models enabling more participatory and personalised approaches;
- Testing approaches that establish “innovation partnerships” by combining research and public procurement with the objective to create new business opportunities (including “green” solutions and social innovation);
- Piloting solutions that increase citizen engagement in transforming public services, e.g. using gamification or other innovative culture-based approaches to motivate different generations to participate in public life, creating environments that foster citizens’ self-organisation, or institutionalising a co-design approach through dedicated labs.

Expected results and their contribution to the selected specific objective

The Programme’s main target groups increase their capacity to innovate and uptake advanced technologies to change the way of delivering public services in the Baltic Sea Region. The target groups also strengthen their capacity to create innovative partnerships for the benefit of the communities and business. The supported actions demonstrate in practice how to develop and test solutions for efficient

non-standard public services tailored to users' needs and based on novel technologies. The actions lead to removing obstacles in innovation processes and broadening of the basis for the public service innovation through increasing engagement of citizens. The actions also increase the role of public in showcasing green solutions. They take step forward in increasing interoperability of public services across borders.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and connect the region. In particular, they support the policy area (PA) Innovation by applying emerging digital technologies to tackle societal challenges. The actions also strive to support service and process innovation in the public sector. Moreover, the Programme objective contributes to PA Health. It enhances the skills and knowledge that help transform public health and well-being services. By integrating territorial approaches in service delivery, the objective directly contributes to PA Spatial Planning.

2.1.2.2 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
1	i	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	34	<p>Core projects Estimated number of projects: 11 On average, each project is expected to perform 3 pilot actions. (33 pilot actions in total)</p> <p>Small projects Estimated number of projects: 5 On average, 20% of the projects are expected to perform 1 pilot action (1 pilot action in total).</p> <p>Milestone (2024) By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>
1	i	RCO87	Organisations cooperating across borders	Organisation	21	343	<p>Regular projects Based on statistical data, on average, each project is expected to involve 13 project partners and</p>

							<p>15 associated organisations (308 organisations in total).</p> <p>Small projects</p> <p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (35 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised, involving 21 organisations in total. None of the core projects is expected to be finalised by the end of 2024.</p>
1	i	RCO116	Jointly developed solutions	Solution	1	18	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 17 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (1 solution in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
I	i	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation	0	2022	468	Progress reports of projects	<p>Core projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (418</p>

									organisations in total). Small projects It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per project will increase their institutional capacity (50 organisations in total).
I	i	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	12	Progress reports of projects	Core projects On average, each project is expected to develop 1 solution that will be taken up or up-scaled (11 solutions in total) Small projects On average, 20% of the projects are expected to develop 1 solution that will be taken up or up-scaled (1 solution in total).

2.1.2.3 The main target groups

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

In this objective the Programme primarily targets public authorities at local and regional levels and, wherever appropriate, national levels. It also addresses specialised agencies as well as infrastructure and service providers. These types of organisations are the main forces responsible for public service delivery in the region. The Programme emphasises citizen involvement through NGOs to ensure the user perspective when developing public services. For the actions testing establishment of innovation partnerships the Programme encourages involving business support organisations. The Programme encourages directly involving enterprises wherever appropriate, e.g. to practically test a solution. Higher education and research institutions as well as education and training centres may join transnational

cooperation actions to support the main target groups with additional expertise and competence. In this objective, this particularly concerns the testing of the innovation partnership concepts. Additionally, the Programme supports linking competences across different sectors in order to consolidate service offers for the citizens.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address challenges and opportunities for the whole Baltic Sea region. The solutions for new public services are mainly tested on the local and regional level. However, the Programme also encourages ambitious applications on the macro-regional level based on common standards. Wherever appropriate, the actions within this objective should take into account differences between specific types of territories related to e.g. settlement structures or demographic trends.

2.1.1.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.1.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	i	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	i	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	i	33	(to be added when final budget figures are known)

2.2. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

2. Water-smart societies

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

2.2.1. Specific objective (v) promoting access to water and sustainable water management

Reference: Article 17(4)(e)

2.2.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 2.1 Sustainable waters

Introduction to actions

The Programme supports actions that improve the state of water in the region and make its management more sustainable. These waters include the Baltic Sea, coastal waters and inland waters like rivers, lakes and groundwater.

The Programme encourages actions that implement available solutions to prevent and reduce water pollution across various waterways. Actions may develop new solutions and apply them widely in the region. Actions may adapt water management practices to changing climate conditions in urban, rural and coastal areas, such as storms, floods or droughts. Actions may support adapting water management strategies to emerging challenges.

Where possible, actions should be cross-sectoral as water resources and catchments are shared by multiple sectors and stakeholders. Relevant sectors include municipal and regional water management, agriculture, aquaculture, fishery, forestry, waste management, industry and households.

Non-exhaustive list of example actions:

- Engaging authorities, companies, advisories and local communities to introduce good practices to prevent nutrient and hazardous substance emissions in water, incl. interaction across sectors, and test solutions to recycle nutrients or business models for ecosystem services;
- Introducing procedures to remove nutrients and hazardous substances from waterways and wastewater treatment, incl. microplastic, litter, hazardous submerged objects, dumped munition, oil spills;
- Adapting water management and other strategies to emerging pollutants or new solutions to eutrophication;
- Adapting water management practices across sectors to use water reasonably (e.g. reuse, retain, recirculate);
- Rethinking planning processes for more effective water management (e.g. during storms, floods, droughts and groundwater scarcity), also developing greening plans, nature-based and digital solutions;

- Improving water management practices across sectors to reduce risks of water pollution aggravated by climate change (e.g. coastal erosion);
- Piloting actions to shift consumer and production patterns to prevent water pollution e.g. reducing plastic use, handling pharmaceuticals.

Expected results and their contribution to the selected specific objective

The Programme's main target groups increase their capacity to manage water and connected sectors in a more competent, sustainable and efficient way in a changing climate. These supported actions lead to wider application of available and newly tested water management solutions or solutions across different sectors. This contributes to reducing water pollution, removing pollutants from water and improving water quality. The supported actions improve urban and rural planning processes for better water management and help adapt water management strategies and action plans to emerging challenges. They shift consumer and production patterns in using water and materials thus preventing water pollution.

Expected contribution to the EU Strategy for the Baltic Sea Region

These actions contribute the objective of the EUSBSR to save the Sea. In preventing and reducing water pollution, they help implement parts of policy areas (PA) Nutri and Bioeconomy by addressing nutrients from cities, agriculture, aquaculture and forestry as well as PAs Hazards, Secure and Health by addressing chemicals and hazardous substances in the sea and inland waters. The actions are in line with these PAs' aim of climate change adaptation.

Programme objective 2.2 Blue economy

Introduction to actions

The Baltic Sea region has plentiful water resources and know-how for advancing a blue economy as well as environmental concerns for healthy ecosystems in the sea and inland water bodies.

The Programme supports actions on sustainable use of fresh and sea waters as well as marine resources in innovative business development in the whole region in emerging and established sectors. These include aquaculture, blue biotechnology, shipping, fishery, and coastal and maritime tourism.

As different sectors may use the same resources, actions should help mitigate potential conflicts among users of the sea space and facilitate its joint use. Moreover, the Programme encourages actions for blue businesses that strengthen their resilience to and mitigate their impact on climate change.

Non-exhaustive list of example actions:

- Creating new business opportunities by developing value chains for sustainable fresh water and marine-based products and services in line with smart specialisation strategies and marketing them;
- Developing governance, communication and cooperation models among public authorities and industry to mitigate conflicts and promote the joint use of the sea and land space, through maritime spatial planning and land-sea interaction;
- Integrating climate change mitigation measures in blue economy development plans;
- Introducing common environmental standards and clean, digital, eco-efficient solutions on ships and in ports to reduce emissions, process and recycle waste and wastewater, prevent species from entering water bodies;

- Improving management of sea and inland water traffic and introducing solutions for remote navigational support, automation on ships and in ports, including digital solutions for certification and professional training for seafarers;
- Diversifying coastal, maritime and inland water tourism products and connecting them to other sectors e.g. food, health, to combat seasonality;
- Testing business models for ecosystem services provided by blue businesses.

Expected results and their contribution to the selected specific objective

The Programme’s main target groups increase their capacity to advance blue economy in a more competent, sustainable and efficient way considering a changing climate and environmental concerns for a healthy Sea and inland water bodies. These supported actions lead to wider uptake of tested solutions that facilitate access to and sustainable use of sea and fresh waters as well as related marine resources for business. They also help prevent water pollution that could be caused by blue economy through tested and widely applied solutions for clean shipping or valorisation of ecosystem services of clean water.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objectives of the EUSBSR to save the Sea and to increase prosperity. They help implement parts of policy areas (PA) Innovation, Bioeconomy and Nutri in developing a blue economy through sustainable use of water and marine resources. They support PAs Ship, Safe, Secure in advancing reliable and clean shipping, PA Transport in facilitating sustainable and efficient transport systems, PA Spatial Planning in mitigating conflicts and joint use of the sea space. They support PAs Tourism and Culture in using social and cultural values of marine ecosystems and water resources as a business opportunity in the tourism sector.

2.2.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
2	v	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	68	<p>Core projects Estimated number of projects: 22 On average, each project is expected to perform 3 pilot actions. (66 pilot actions in total)</p> <p>Small projects Estimated number of projects: 10</p>

							<p>On average, 20% of the projects are expected to perform 1 pilot action (2 pilot action in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 6 small projects are expected to be finalised. The value is rounded to 1 instead of inserting 1.2. None of the core projects is expected to be finalised by the end of 2024.</p>
2	v	RCO87	Organisations cooperating across borders	Organisation	42	686	<p>Core projects</p> <p>Based on statistical data, on average, each project is expected to involve 13 project partners and 15 associated organisations (616 organisations in total).</p> <p>Small projects</p> <p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (70 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 6 small projects are expected to be finalised, involving 42 organisations in total. None of the core projects is expected to be finalised by the end of 2024.</p>
2	v	RCO116	Jointly developed solutions	Solution	1	36	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 34 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (2 solutions in total)</p> <p>Milestone (2024)</p> <p>By the end of 2024, 6 small projects are expected to be finalised. The value is rounded to 1 instead of inserting 1.2. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	v	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation	0	2022	936	Progress reports of projects	<p>Core projects It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (rounded to 836 organisations in total).</p> <p>Small projects It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per project will increase their institutional capacity (100 organisations in total).</p>
2	v	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	24	Progress reports of projects	<p>Core projects On average, each project is expected to develop 1 solution that will be taken up or up-scaled (22 solutions in total)</p> <p>Small projects On average, 20% of the projects are expected to develop 1 solution that will be taken</p>

										up or up-scaled (2 solution in total).
--	--	--	--	--	--	--	--	--	--	--

2.2.1.3 The main target groups

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

The Programme targets public authorities at local, regional and national levels as the main drivers of advancing sustainable water management and supporting blue economy development in the region. Municipalities, regional councils, ministries and governmental agencies have an important role in governing water and resource use. Further, the Programme targets organisations in sectors affecting water quality, like agriculture, aquaculture, blue biotechnology, fishery, forestry, shipping, and coastal and maritime tourism. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers and enterprises. Citizen involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and training centres may join as their expertise is important for developing viable and effective solutions for water management and sustainable blue economy.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. The different actions are focused to the needs of specific areas: the Baltic Sea or its parts, coastal areas, inland urban and rural territories. Water management in different territories require adaption in the approach and involvement of specific target groups. Similarly, approaches to sustainable water and marine resource use in different areas may call for adjustments or engagement of specific target groups.

2.2.1.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.2.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	v	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	v	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
2	ERDF	v	33	(to be added when final budget figures are known)

2.3. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

3. Climate-neutral societies

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

2.3.1. Specific objective (vi) promoting the transition to a circular and resource efficient economy

Reference: Article 17(4)(e)

2.3.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.1 Circular Economy

Introduction to actions

Ensuring steady growth of the Baltic Sea region without increasing pressure on the environment including water, air and soil requires transitioning towards a circular economy. The Programme supports actions that facilitate the shift from linear to circular resource use. This implies keeping products and materials in use for as long as possible. The Programme encourages holistic approaches that go beyond waste management to connect with water, energy, transport and land use. This requires facilitating behavioural change and integrated planning. In consequence, the shift towards circular economy is a valuable factor in fighting environmental challenges like overexploitation of the natural resources, inadequate air quality as well as climate change.

To accelerate the transition, the Programme especially supports actions that build an enabling environment and raise awareness for circular opportunities. The actions foster a systemic shift that creates long-term opportunities for business as well as environmental and societal benefits. For this reason, business and communities are considered to be at the heart of the transition. Considering the needs of business actors, the Programme provides a space to redefine smart specialisation approaches to advance the shift towards circularity. Furthermore, actions should take into account not only potential winners but also those disadvantaged by the transition processes. Wherever appropriate, the actions

consider uneven territorial effects e.g. between urban and rural areas or specificities of remote areas. The solutions developed are encouraged to untap the potential of digitalisation as a means of achieving a resource-efficient economy in the Baltic Sea region.

Non-exhaustive list of example actions:

- Integrating circular economy policies into territorial strategies and testing their implementation, linking to other relevant regional and national strategies e.g. for smart specialisation;
- Mapping administrative or legal barriers limiting circular approaches and defining solutions in line with competences of cities and regions;
- Testing public procurement models that strengthen the role of public authorities in supporting a transition towards circularity;
- Rethinking urban and regional planning processes in sectors key to achieving circularity (e.g. transport, water, energy, and waste management) in order to adopt better integrated and systemic approaches;
- Coordinating and supporting entrepreneurial and civil society initiatives in promoting circular economy and supporting change in attitudes i.e. creating awareness of circular opportunities among business executives, owners and consumers;
- Providing support services that help businesses adopt more circular approaches e.g. supporting a shift from ownership to new business models based on flexible and affordable access to services;
- Applying digital technologies to transform business models from linear to circular, e.g. to match suppliers and producers, track the journey of components and materials, help virtualise products;
- Testing solutions that create synergies between bio and circular economy e.g. supporting industrial symbiosis using waste material from forest industry by companies in different sectors.

Expected result and their contribution to the selected specific objective

The Programme's main target groups increase their capacity to accelerate a transition towards circular economy. In particular, the actions improve planning processes at local and regional level to enable circularity. In addition, they facilitate the development, testing and application of solutions that transform business models from linear to circular. Furthermore, the actions increase the role of civil society in building awareness of circular opportunities. The actions lead to taking macro-regional perspective in developing the markets for circular goods.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and save the sea. They support the policy area (PA) Innovation by achieving a more resource efficient economy through digital transformation. In addition, the actions contribute to the "green" shift within smart specialisation approach fostered by the policy area Innovation. Furthermore, the actions support PA Bioeconomy. They make use of opportunities arising from combining bioeconomy and principles of circular economy, e.g. through industrial symbiosis. In its holistic approach the Programme objective is also relevant for PA Health, which strives to integrate health aspects into other sectors including circular economy.

2.3.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
3	vi	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	34	<p>Core projects</p> <p>Estimated number of projects: 11</p> <p>On average, each project is expected to perform 3 pilot actions. (33 pilot actions in total)</p> <p>Small projects</p> <p>Estimated number of projects: 5</p> <p>On average, 20% of the projects are expected to perform 1 pilot action (1 pilot action in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>
3	vi	RCO87	Organisations cooperating across borders	Organisation	21	343	<p>Core projects</p> <p>Based on statistical data, on average, each project is expected to involve 13 project partners and 15 associated organisations (308 organisations in total).</p> <p>Small projects</p> <p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (35 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised, involving 21 organisations in total. None of</p>

							the core projects is expected to be finalised by the end of 2024.
3	vi	RCO116	Jointly developed solutions	Solution	1	18	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 17 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (1 solution in total)</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	vi	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation	0	2022	468	Progress reports of projects	<p>Core projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (418 organisations in total).</p> <p>Small projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per</p>

									project will increase their institutional capacity (50 organisations in total).
3	vi	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	12	Progress reports of projects	<p>Core projects</p> <p>On average, each project is expected to develop 1 solution that will be taken up or up-scaled (11 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution that will be taken up or up-scaled (1 solution in total).</p>

2.3.1.3 The main target groups

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

Within this objective the Programme targets public authorities at local, regional and, whenever appropriate, national levels. The Programme encourages involving citizens through NGOs. The Programme expects strong engagement of the business sector, mainly through business support organisations, including directly where appropriate, e.g. for testing of specific solutions. These types of organisations should be supported by specialised agencies and infrastructure and service providers from the sectors that are key to achieving circularity e.g. transport, water, energy and waste management. In this respect, the Programme especially encourages combining competences across different sectors. Higher education and research institutions as well as education and training centres may join transnational cooperation actions to support the main target groups with additional expertise and competence, e.g. in awareness building or with technical expertise.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region and encourage approaches at the macro-regional scale. To allow for a just transition towards circularity and the most

efficient exploration of existing potential, the Programme considers differences between specific types of territories, e.g. in planning processes in urban and rural areas.

2.3.1.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.3.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	vi	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	vi	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	vi	33	(to be added when final budget figures are known)

2.3.2. Specific objective (i) promoting energy efficiency and reducing greenhouse gas emissions

Reference: Article 17(4)(e)

2.3.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.2 Energy transition

Introduction to actions

The Programme supports actions targeting the decarbonisation of energy systems in the region in order to reduce greenhouse gas emissions.

The Programme encourages the development of solutions that increase energy efficiency in industrial production processes as well as in public and private building stock. The Programme also encourages actions that develop and test solutions to increase renewable energy production from locally available

resources. In addition, actions may help with renewable energy distribution and integration into various sectors, like building, industry, district heating and cooling.

Actions may adapt and update policies and regulations as well as coordinate plans and the application of solutions across borders. Actions may mobilise industry and citizens to apply energy solutions for climate neutrality and plan wider deployment with other public or private funds.

Non-exhaustive list of example actions:

- Rethinking policies and regulations and updating national, regional or local energy plans for climate neutrality;
- Addressing administrative, legal and financial barriers to speed up a ‘renovation wave’ of public and private buildings, incl. designing innovative financing schemes or combining energy efficiency measures with renewable energy application;
- Testing coordination mechanisms across borders for development of renewable energy projects, considering spatial planning needs;
- Strengthening integration of different energy systems and interconnecting energy consumers from different sectors;
- Introducing solutions for localised energy grids, combining multiple power sources;
- Designing public support policies to encourage wider production, supply and storage of renewable energy;
- Accelerating the establishment of systems for producing, storing and using renewable energy, and in particular, renewable electricity from locally available resources, with application of innovative technologies;
- Piloting actions that strengthen the involvement of citizens and industry in decarbonising energy systems, including development and testing guidelines for energy districts and standards for green industry certification as well as assessment of green-house gas emissions and their decrease in a coherent way across borders.

Expected results and their contribution to the selected specific objective

The Programme’s main target groups increase their capacity to move society and the economy towards low-carbon energy systems with increased energy efficiency and enhanced renewable energy use. The supported actions lead to wider application of tested solutions in industry and building stock on increasing their energy efficiency and decreasing energy consumption. The holistic approach to moving towards net zero greenhouse gas emissions is further strengthened by coupling these solutions with tested solutions for renewable energy use as well as improved policies for climate neutrality. In addition, the actions lead to changing behavioural patterns of citizens and industry on using energy. Such an approach allows the Programme to trigger transition towards the low-carbon energy systems leading to reduced greenhouse gas emissions in a comprehensive and coordinated way.

Expected contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objective of the EUSBSR to connect the region. The actions help implement parts of policy area (PA) Energy in streamlining efforts on energy efficiency in the region as well as increasing the share of renewable energy by deepening regional cooperation. The actions help share best practices thus advancing long-term renovation strategies and integrating renewables in

building, industry, district heating and cooling sectors. Further, the actions support PA Bioeconomy in increasing renewable energy production from regional biological resources. The actions support PA Spatial Planning in strengthening the application of place-based approaches when developing solutions for producing renewable energy from locally available resources as well as coordinating energy plans across borders.

2.3.2.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
3	i	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	34	<p>Core projects</p> <p>Estimated number of projects: 11</p> <p>On average, each project is expected to perform 3 pilot actions. (33 pilot actions in total)</p> <p>Small projects</p> <p>Estimated number of projects: 5</p> <p>On average, 20% of the projects are expected to perform 1 pilot action (1 pilot action in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>
3	i	RCO87	Organisations cooperating across borders	Organisation	21	343	<p>Core projects</p> <p>Based on statistical data, on average, each project is expected to involve 13 project partners and 15 associated organisations (308 organisations in total).</p> <p>Small projects</p>

							<p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (35 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised, involving 21 organisations in total. None of the core projects is expected to be finalised by the end of 2024.</p>
3	i	RCO116	Jointly developed solutions	Solution	1	18	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 17 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (1 solution in total)</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	i	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation	0	2022	468	Progress reports of projects	<p>Core projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (418 organisations in total).</p>

									<p>Small projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per project will increase their institutional capacity (50 organisations in total).</p>
3	i	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	12	Progress reports of projects	<p>Core projects</p> <p>On average, each project is expected to develop 1 solution that will be taken up or up-scaled (11 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution that will be taken up or up-scaled (1 solution in total).</p>

2.3.2.3 The main target groups

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

The Programme targets public authorities at local, regional and national level as the main drivers of decarbonising the energy systems. Municipalities, regional councils, ministries as well as governmental agencies have an important role in setting a strategic direction to increasing energy efficiency as well as producing and using renewable energy. They have an important role in mobilising industry and citizens to introduce energy solutions for the climate neutrality. The Programme also targets organisations that support this transition. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers and enterprises. Citizens involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and training centres may join as their expertise and competence is highly important for developing viable and efficient energy solutions.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. Different actions are focused to the needs of specific areas: urban and rural territories, areas with different local biological sources for production of renewable energy. Applying energy-saving solutions or solutions for renewable energy production in different territories requires adaption in the approach and involvement of specific target groups.

2.3.2.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.3.2.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	i	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	i	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	i	33	(to be added when final budget figures are known)

2.3.3. Specific objective (viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

Reference: Article 17(4)(e)

2.3.3.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.3 Smart green mobility

Introduction to actions

The Baltic Sea region has a big potential to achieve zero greenhouse gas emissions for the mobility in its cities, towns and rural areas connected to them, by using renewable fuels, clean electricity and digitalisation. A green mobility system well-functioning also cross-borders is vital for the development of the BSR. The Programme supports actions that ensure the smooth movement of people and goods in and across urban and rural areas while saving resources by increasing efficiency, integrating different transport modes and accelerating digitalisation.

The Programme encourages the development of solutions that harmonise mobility systems across borders and thus enabling a coherent use of green mobility solutions. Further, the Programme encourages actions that enhance the capacity of public authorities in national, regional and urban planning to introduce green and intelligent mobility solutions to reduce pollution in cities and towns and their hinterland. The Programme wants to mobilise transport companies and citizens to actively use green and intelligent mobility solutions. In this way the objective does not aim only on introducing technical solutions but also on changes in mobility behaviours and demands.

Sustainable Urban Mobility Plans (SUMPs) offer a strategic and integrated approach for dealing effectively with the complexities of smart and green mobility topics. Therefore, whenever possible the developed mobility solutions should be based on existing SUMPs or be part of the revised or newly developed SUMPs.

Non-exhaustive list of example actions:

- Developing common standards to harmonise mobility systems in order to ensure the compatibility of green solutions between cities, towns their hinterland and across borders, e.g. for charging systems, new modes of vehicles;
- Using innovative technologies and planning infrastructure to advance low-emission, green, smart solutions in multimodal transport
- Supporting national, regional and local public authorities in developing, testing, procuring and deploying green and multimodal transport as an integrated service using digital tools;
- Rethinking urban, rural and regional spatial and transport planning adapting to vehicle and service innovation as well as to promote space efficient mobility of all modes (autonomous, connected, electric, shared and active mobility options, e.g. walking and biking);
- Testing, introducing and applying digital solutions (big data analytics, real-time data processing, intelligent transport systems) that regulate traffic flow, optimise the transport of people and goods, and predict changing mobility patterns.
- Testing and deploying innovative technologies and planning infrastructure to produce, store and distribute renewable fuels (e.g. biofuels, hydrogen) in cities and regions to replace diesel and petrol in transport;
- Planning and piloting e-mobility, smart grid services and charging stations, including locally-produced electricity, and connecting green energy to existing energy grids;
- Planning charging infrastructure at public transport stations and freight hubs, repurposing gas or petrol stations as charging hubs for renewable fuels;
- Advancing freight mobility through introducing shared solutions and distributed centres using digital platforms to maximise the efficiency of vehicle utilisation.

Expected results and their contribution to the selected specific objective

The Programme's main target groups increase their capacity to move cities and regions towards green and intelligent mobility systems. The described actions facilitate the development, testing and application of solutions that increase energy efficiency, enhance usage of renewable fuels and reduce pollution from transport in cities, towns and their hinterland. They will help the region significantly reduce its transport emissions and thus achieve climate neutrality. The actions will result in different solutions on how to integrate automated, shared and active mobility options into the urban mobility systems. Other solutions will advance the deployment of sustainable transport fuels, public recharging and refuelling points as well as connect green and local energy resources to energy grids and e-mobility in the cities and regions.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objective of the EUSBSR to connect the region and increase prosperity. The actions support the PA Transport in streamlining efforts to develop measures for climate-neutral and zero pollution transport and to facilitate innovative transport technologies and solutions in the BSR. The actions in harmony with the Strategy will support the BSR to be a pioneer in the greening of the transport sector in Europe. The aim is to develop sustainable supply chain strategies as a multi-fuel approach in the BSR (with alternative fuels like biofuels and hydrogen). The Programme will help in the integration of long-distance transport in urban mobility planning in a green and smart way as a precondition for smooth last mile transport (freight and passenger). Further, the actions support PA Energy in the promotion of advanced biofuels and electrification in transport as well as sector integration and sector coupling that can help decarbonise the transport sector. In addition, the actions support PA Spatial Planning in advancing place-based approaches to territorial development policies including the transport sector.

2.3.3.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
3	viii	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action	1	34	<p>Core projects</p> <p>Estimated number of projects: 11</p> <p>On average, each project is expected to perform 3 pilot actions. (33 pilot actions in total)</p> <p>Small projects</p> <p>Estimated number of projects: 5</p> <p>On average, 20% of the projects are expected to perform 1 pilot action (1 pilot action in total).</p> <p>Milestone (2024)</p>

							By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.
3	viii	RCO87	Organisations cooperating across borders	Organisation	21	343	<p>Core projects</p> <p>Based on statistical data, on average, each project is expected to involve 13 project partners and 15 associated organisations (308 organisations in total).</p> <p>Small projects</p> <p>On average, it is estimated that each project will involve 4 project partners and 3 associated organisations (35 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised, involving 21 organisations in total. None of the core projects is expected to be finalised by the end of 2024.</p>
3	viii	RCO116	Jointly developed solutions	Solution	1	18	<p>Core projects</p> <p>On average, each project is expected to develop 1.5 solutions. (rounded up to 17 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution (1 solution in total)</p> <p>Milestone (2024)</p> <p>By the end of 2024, 3 small projects are expected to be finalised. The value is rounded up to 1 instead of inserting 0.6. None of the core projects is expected to be finalised by the end of 2024.</p>

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	viii	PSR1	Organisations with	Organisation	0	2022	468	Progress reports	Core projects

			increased institutional capacity due to their participation in cooperation activities across borders					of projects	<p>It is estimated that apart from the organisations calculated for RCO87, 10 organisations outside the partnership per project will increase their institutional capacity (418 organisations in total).</p> <p>Small projects</p> <p>It is estimated that apart from the organisations calculated for RCO87, 5 organisations outside the partnership per project will increase their institutional capacity (50 organisations in total).</p>
3	viii	RCR 104	Solutions taken up or up-scaled by organisations	Solution	0	2022	12	Progress reports of projects	<p>Core projects</p> <p>On average, each project is expected to develop 1 solution that will be taken up or up-scaled (11 solutions in total)</p> <p>Small projects</p> <p>On average, 20% of the projects are expected to develop 1 solution that will be taken up or up-scaled (1 solution in total).</p>

2.3.3.3 The main target groups

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

The Programme targets public authorities at local, regional and national level responsible for transport, planning and environmental protection. Municipalities, regional councils, ministries as well as governmental agencies have an important role in organising transport services in the region. Further, the Programme targets organisations from sectors that offer and use different transport modes. These are logistic and transport operators, other infrastructure and service providers and enterprises. Citizens are the core customers for the mobility services and their involvement is encouraged through associations or NGOs. Higher education and research institutions may join transnational cooperation actions as their expertise and competence is important in developing innovative and efficient transport and mobility solutions.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. The different actions are focused to the needs of specific areas; national or regional levels, especially urban but also rural territories. Green transport solutions in different territories require adaptation in the approach and involvement of specific target groups.

2.3.3.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.3.3.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	viii	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no.	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	viii	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
3	ERDF	viii	33	(to be added when final budget figures are known)

2.4. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

4. Cooperation governance

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

2.4.1. Action f) other actions to support better cooperation governance

Reference: Article 17(4)(e)

2.4.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 4.1 Project platforms

Introduction to actions

The Programme supports the cooperation of EU-funded projects in project platforms. These actions bring the results of various projects from different EU funding programmes to stakeholders in the Baltic Sea region in a structured way. The actions of project platforms help public authorities and other organisations access project results more easily. They show how the different results complement each other, making use of synergies across EU funds.

The proposed actions identify solutions developed by projects and other initiatives in EU funding programmes, also co-funded by the partner countries Norway and Russia, relevant for the Baltic Sea region and interlink and synthesise them. The actions focus on communicating and transferring these syntheses of solutions to broader target groups going beyond usual partnerships.

Specifically, the actions target public authorities as main drivers of policy change in the region. In addition, actions closely involve relevant pan-Baltic organisations to strengthen communication as well as policy area coordinators of the EU Strategy for the Baltic Sea Region to introduce this synthesis into regional policy frameworks. The Programme supports the work in project platforms in line with the Programme's thematic priorities.

Example actions within project platforms:

- Identifying solutions developed by different Interreg and other EU funded projects relevant for the Baltic Sea region, structuring them and making syntheses based on the needs of the target groups;
- Analysing know-how developed in research and innovation projects as well as experiences with investment projects co-financed from EU funds and combining them with the findings of Interreg projects;
- Setting up communication channels and learning tools to reach out to public authorities and other organisations to give them access to syntheses of solutions;
- Introducing syntheses of solutions into the daily work of public authorities, specialised agencies and others organisations working in these thematic areas;
- Addressing policy-making needs on complex challenges that require solutions from different Interreg and other EU-funded programmes across different levels of governance and different sectors;

- Reaching out to relevant policy and decision-making authorities and other organisations at the national and pan-Baltic level and providing them streamlined results from different Interreg and other EU-funded projects for more efficient development of policies and governance structures.

Expected results and their contribution to the selected action

The Programme’s main target groups increase their capacity to govern and manage their fields of responsibility in their regions and across borders. By taking up syntheses of results from different EU funding programmes in different thematic areas, they have stronger capacity to address territorial challenges in a more efficient way. They are better off to improve policy-making processes and governance structures in the region.

Expected contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to all three objectives of the EUSBSR: to save the Sea, connect the region and increase prosperity. The actions provide syntheses of tested solutions and help implement actions in many policy areas (PA) of the EUSBSR, for example, PAs Nutri, Bioeconomy, Innovation, Ship, Spatial Planning, Hazards, Energy, Transport. They actively take stock of solutions produced by different EU funding programmes in line with the objectives of the policy areas and lead to their wider communication and application on the policy level and among practitioners.

2.4.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
4	f	RCO87	Organisations cooperating across borders	Organisation	0	260	Estimated number of project platforms: 13 It is estimated that each project platform will involve 10 project partners and 10 associated organisations (260 organisations in total).

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
4	f	PSR1	Organisations with increased institutional	Organisation	0	2022	520	Progress reports of projects	It is estimated that apart from the organisations calculated for

			capacity due to their participation in cooperation activities across borders							RCO87, 20 organisations outside the partnership per project platform will increase their institutional capacity (520 organisations in total).
--	--	--	--	--	--	--	--	--	--	---

2.4.1.3 The main target groups

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

The Programme targets public authorities at local, regional and national levels as the main drivers of policy change as well as advancing regional development across different fields and sectors. Municipalities, regional councils, ministries and governmental agencies have an important role in governing this development. The Programme also targets representatives of the EU Strategy for the Baltic Sea Region, for example, coordinators of the policy areas, as well as pan-Baltic organisations. Further, the Programme targets organisations working in sectors addressed by the Programme thematic priorities. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers, and enterprises. Citizen involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and training centres may join as their expertise is important for synthesising solutions.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this selected action address challenges and opportunities of the whole Baltic Sea region. The actions focus on the needs of different thematic areas and this may require adaption in the approach to targeting specific territories, for example, the Baltic Sea, urban or rural areas and involvement of specific target groups.

2.4.1.5 Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.4.1.6 Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	f	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	f	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	f	33	(to be added when final budget figures are known)

2.4.2. Action d) enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies

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

2.4.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

Programme objective 4.2 Macro-regional governance

Introduction to actions

The Programme supports actions that implement and strengthen governance and communication activities in the EU Strategy for the Baltic Sea Region (EUSBSR). These actions may facilitate policy discussions and trigger policy changes, build up networks to develop projects and other initiatives in line with the EUSBSR Action Plan, or investigate and secure potential funding sources on the EU, national or regional level to ensure their implementation.

The Programme provides support to the coordinators of the EUSBSR policy areas (PACs) to carry out additional tasks in order to coordinate the planning and implementation of the EUSBSR policy areas. The Programme also supports actions to inform regional and EU stakeholders about the progress and achievements of these areas, changes and next steps in implementing the EUSBSR Action Plan. Further, the Programme supports the organisation of a meeting place in the form of Strategy forums to engage politicians, different levels of governance and civil society to discuss topical issues of the EUSBSR. The Programme also provides support to ensure administrative, communication and capacity building assistance to the national coordinators of the EUSBSR and other stakeholders, for instance, in the form of a strategy point.

In all actions the Programme encourages enhancing cooperation with the partner countries to ensure synergies between the EUSBSR and the strategies of the partner countries as well as progress in the work on common priorities.

Example actions:

- Assistance to the policy area coordinators of the EUSBSR.

Actions may coordinate policy discussion and address the need for policy changes. They may build up networks, engage stakeholders in the processes in the policy areas in a systematic way, support project idea generation and project implementation. Action may support monitoring progress and evaluating whether agreed targets are reached, regularly reviewing objectives, processes, actions and results, amending and updating them when needed.

- Organisation of Strategy forums.

A Strategy Forum is a meeting place for organisations implementing the EUSBSR and other stakeholders. Organised as a conference or similar, these actions may communicate the work of the EUSBSR, its objectives and its achievements as well as progress on the common priorities with the partner countries to policymakers, public authorities, and a wider audience. They may stimulate policy discussions and disseminate results. Actions may provide stakeholders with a networking occasion and help actively engage them in the planning and implementation of the EUSBSR Action Plan.

- Assistance to a Strategy point.

Actions may provide administrative support to the national coordinators of the EUSBSR. They may support capacity building of the stakeholders of the EUSBSR and the strategies of the partners countries. Actions may support monitoring and evaluating achievements, stimulating exchange and sharing knowledge among the policy areas. They may coordinate communication including running the EUSBSR website and other communication tools.

Expected results and their contribution to the selected action

As a result, responsible organisations have the capacity to coordinate and communicate the EUSBSR’s progress and achievements, and actively engage different stakeholders in the region as well as work on common priorities of the EU and partner countries. The supported actions strengthen the governance structures in the EUSBSR and stimulate policy discussions in the Baltic Sea region, build up networks, engage and motivate different stakeholders to plan actions and secure further funding for the implementation of the EUSBSR Action Plan. They also ensure synergies between EUSBSR stakeholders and stakeholders of other strategies in the partner countries of the Baltic Sea region.

Expected contribution to the EU Strategy for the Baltic Sea Region

All these actions contribute to the EUSBSR by facilitating active and efficient coordination among institutions responsible for the EUSBSR, their capacity building, and communication and engagement of stakeholders.

2.4.2.2. Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]	Comments
----------	--------------------	--------	-----------	------------------------	------------------------	---------------------------	----------

4	d	RCO118	Organisations cooperating for the multilevel governance of macroregional strategies	Organisation	4	44	<p>PACs</p> <p>Estimated number of organisations involved in all PACs: 28</p> <p>Strategy point</p> <p>Estimated number of involved organisations: 2</p> <p>Annual Forums</p> <p>Number of Forums organised in 2022-2028:7</p> <p>Estimated number of involved organisations per Forum: 2 (14 organisations in total).</p> <p>Milestone (2024)</p> <p>By the end of 2024, 2 Annual Forums are expected to be finalised involving 4 organisations in total.</p>
---	---	--------	---	--------------	---	----	--

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
4	d	RCR84	Organisations cooperating across borders after project completion	Organisation	0	2022	44	Progress reports of projects	<p>PACs</p> <p>Estimated number of organisations cooperating after PACs completion: 28</p> <p>Strategy point</p> <p>Estimated number of organisations cooperating after the Strategy point completion: 2</p> <p>Annual Forums</p> <p>Number of Forums organised in 2022-2028:7</p> <p>Estimated number of organisations cooperating after the completion of</p>

										each Forum: 2 (14 organisations in total).
--	--	--	--	--	--	--	--	--	--	--

2.4.2.3. The main target groups

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

The Programme targets organisations designated as the coordinators of the EUSBSR policy areas, national coordinators of the EUSBSR, and international bodies, national and regional public authorities as well as other bodies providing a link to the strategies and priorities of the partner countries. The Programme also targets organisations that support these governance and communication activities. These are other national, regional and local public authorities and agencies, pan-Baltic organisations, and NGOs. Higher education and research institutions as well as education and training centres may join as their expertise and competence is highly important for developing efficient capacity building and monitoring and evaluation of solutions.

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

Reference: point (e)(iv) of Article 17(3)

The Programme does not plan to use any territorial tools meant above. The actions under this selected action address the needs of the EU Strategy for the Baltic Sea Region as well as provide a link to the strategies and priorities of the partner countries in the area. Different types of actions may require adaption in the approach and involvement of specific target groups.

2.4.2.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

Not applicable

2.4.2.6. Indicative breakdown of the EU programme resources by type of intervention

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

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	d	173	(to be added when final budget figures are known)

Table 5: Dimension 2 – form of financing

Priority no	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	d	01	(to be added when final budget figures are known)

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
4	ERDF	d	33	(to be added when final budget figures are known)

3. Financing plan

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

3.1 Financial appropriations by year

Reference: point (g)(i) of Article 17(3), points (a) to (d) of Article 17(4)

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
ERDF (territorial cooperation goal)	b)	b)	b)	b)	b)	b)	b)	249,246,776
NDICI ¹								c)
Interreg Funds ² a)								
Total								

MA/JS comments:

- a) According to the final regulation, it is the choice of the programme to merge or to split the funding sources. MA/JS proposes to keep the funding sources separate, like it was done in the past. Therefore, the last column 'Interreg Funds' will be deleted in the final version.
- b) The breakdown by year was not available at the time of preparing this document – it will be completed when final allocations will be published by the European Commission.
- c) The amount of NDICI funding was not available at the time of preparing this document – it will be added as soon as final allocations will be published by the European Commission.

3.2 Total financial appropriations by fund and national co-financing

Reference: point (f)(ii) of Article 17(3), points (a) to (d) of Article 17(4)

¹ Interreg B and C

² ERDF, IPA III, NDICI or OCTP, whereas single amount under Interreg B and C

Table 8

Policy objective No	Priority	Fund (as applicable)	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
	Priority 1	ERDF										
		IPA III CBC (*)										
		NDICI-CBC (*)										
		IPA III (*)										
		NDICI (*)										
		OCTP (*)										
		Inerreg funds (*)										
	Priority 2	(funds as above)										
	Total	All funds										
		ERDF										
		IPA III CBC										
		NDICI-CBC										
		IPA III										
		NDICI										
		OCTP										
		Inerreg funds										
	Total	All funds										

(*) Inerreg A, external cross-border cooperation.
 (*) Inerreg B and C.
 (*) Inerreg B, C and D.
 (*) ERDF, IPA III, NDICI or OCTP, where as single amount under Inerreg B and C.

MA/JS comments:

The table 8 is maintained in a separate Excel file and the respective content is added as screen shot below. The focus in this version of the programme document is on the ERDF funding (based on input from each Member State). Contributions from NDICI and third countries will be added when information is available.

Policy objective No	Priority	Fund	Basis for calculation EU support (total or public)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart				Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	For information: Norway total *) (incl. nat. co-fi)
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	projects (c1)	TA (c2)	National private (d)			
PO 1	Priority 1	ERDF	total eligible cost	63,379,895.00	58,309,503.00	5,070,392.00	15,844,973.75	13,658,367.39	12,390,769.39	1,267,598.00	2,186,606.36	79,224,868.75	0.80	2,415,715.00
		NDICI	total eligible cost											
PO 2	Priority 2	ERDF	total eligible cost	63,379,895.00	58,309,503.00	5,070,392.00	15,844,973.75	13,658,367.39	12,390,769.39	1,267,598.00	2,186,606.36	79,224,868.75	0.80	2,415,715.00
		NDICI	total eligible cost											
PO 2	Priority 3	ERDF	total eligible cost	95,069,841.00	87,464,254.00	7,605,587.00	23,767,460.25	20,487,550.73	18,586,153.98	1,901,396.75	3,279,909.52	118,837,301.25	0.80	3,623,570.00
		NDICI	total eligible cost											
ISO 1	Priority 4	ERDF	total eligible cost	27,417,145.00	25,223,774.00	2,193,371.00	6,854,286.25	6,538,989.08	5,990,646.33	548,342.75	315,297.17	34,271,431.25	0.80	1,045,000.00
		NDICI	total eligible cost											
	Total ERDF	ERDF		249,246,776.00	229,307,034.00	19,939,742.00	62,311,694.00	54,343,274.59	49,358,339.09	4,984,935.50	7,968,419.41	311,558,470.00	0.80	9,500,000.00
		NDICI												
	Total	All funds		249,246,776.00	229,307,034.00	19,939,742.00	62,311,694.00	54,343,274.59	49,358,339.09	4,984,935.50	7,968,419.41	311,558,470.00	0.80	9,500,000.00

*) Allocation by priority is indicative. Including TA.

For information: total TA (ERDF) 24,924,677.50

For information: total projects (ERDF) 286,633,792.50

19,939,742.00

4,984,935.50

49,358,339.09

7,968,419.41

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

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

Involvement of partners during programme preparation

The drafting of the Interreg Baltic Sea Region Programme was coordinated by Investitionsbank Schleswig-Holstein as designated Managing Authority and Joint Secretariat of the Programme (MA/JS). A Joint Programming Committee (JPC) was established as decision making body for the programming. It is composed of national and regional representatives from all countries interested in participating in the future Programme. Sub-committees and national consultations in the countries are ensuring a wider participation of the sub-national level as well as of economic and social partners.

The Programme draws upon a large number of existing analyses and strategies as well as on the know-how of experienced pan-Baltic stakeholders and networks. It is built on vast experience gained from previous Programme periods. In 2019, a review of strategic priorities in the BSR was carried out. For the review, relevant pan-Baltic and national documents were systematically screened and analysed.

Supported by the Managing Authority and the Joint Secretariat, the JPC selected the priorities of the Programme. The thematic framework for the future Programme further includes the proposed topics and related explanations. The programming process was open and participative. The interested public as well as stakeholders (EUSBSR policy area coordinators and project platforms) were invited to provide their reflections on the thematic framework in an open consultation during summer 2020. 719 institutions from all countries of the Baltic Sea Region comprising a high number of local and regional authorities and NGOs provided feedback. In addition, the policy area coordinators of the EUSBSR and their steering groups as well as project platforms commented on topics of their concern in a specific process. The results showed a strong support to the proposed thematic scope of the Programme. The feedback helped further sharpen the thematic framework that, later on, was translated into the Programme document.

Involvement of partners during Programme implementation

Successful implementation of the Programme requires strong involvement of national, regional and local authorities, economic and social partner, as well as bodies representing the civil society.

The future Monitoring Committee (MC) of Interreg Baltic Sea Region will comprise representatives from both national and regional level from the participating countries. In addition, national sub-committees of all participating countries will make sure that the regional and local level, economic and social partners as well as bodies representing the civil society will participate in implementation, monitoring and evaluation of the Programme.

Cooperation with stakeholders of the EUSBSR will further broaden the participation in Programme implementation in line with multi-level governance. The Programme will strive for regular interaction with the policy area coordinators of the EUSBSR and the steering groups of the policy areas along the thematic priorities of the Programme, in project development, implementation and communication. This should help achieve closer cooperation among the policy area coordinators and project partnerships for stronger policy impact.

Text field [10 000]

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

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

Approach

This section defines the approach to the Programme's communication in compliance with the requirements listed in Article 36 of Regulation (EU) 2021/1059 (Interreg Regulation)..

Interreg Baltic Sea Region considers itself a sub-brand of Interreg. The Programme strives to align with the Interreg narrative and visuals, and highlight its distinctive features at the same time. Being part of the Interreg family, the Programme cooperates with Interreg programmes and Interact.

The Programme enables to put innovative, water-smart and climate-neutral solutions into practice through transnational cooperation for the benefit of citizens across the Baltic Sea region. It communicates the added value of transnational cooperation and the European Union. Along the Programme's lifecycle, communication strives to mobilise relevant partnerships, enable projects to succeed and to make Interreg acknowledged.

Communication aims

Communication contributes to meeting the Programme's overall objective by addressing defined target audiences with suitable channels in order to achieve eight communication aims:

- 1) New applicants, in particular local and regional public authorities, are attracted by the Programme presented to them as a suitable and manageable funding source;
- 2) Anyone interested in the Programme has the possibility to fully understand it: its requirements and limits;
- 3) Multipliers, who have a clear understanding of the Programme, help mobilise relevant partnerships by communicating with their audiences;
- 4) The applicants, later project partners, have sufficient resources to identify, reach and engage their target audiences;
- 5) Those who receive the Programme funding know the rules and requirements and apply them correctly;
- 6) The Managing Authority/Joint Secretariat acts in a reliable, approachable and predictable manner;
- 7) People in projects are encouraged to feel part of the Interreg community and speak out positively about Interreg;
- 8) Relevant decision makers know project results from the Baltic Sea region and consider Interreg useful and efficient.

Target audiences

The core target audiences of the Programme and thus its communication are potential beneficiaries. They are clearly defined for each Programme priority in "The main target groups" sections of this document, which describe the thematic scope of the funding Programme.

Among others, they include public authorities at local, regional and national levels; business support organisations and enterprises; non-governmental organisations; higher education and research institutions; education/training centres. A target audience of specific importance are stakeholders of the EU Strategy for the Baltic Sea Region.

Communication channels

A variety of selected channels ensure complementarity and effectiveness of communication along the Programme's lifecycle. The target audiences are addressed "where they are" and invited to the Programme's

channels. The selection covers traditional and digital, one-to-many, one-to-few and interactive channels, such as:

- 1) the Programme and project websites, which include promotional, educational and information publications and a catalogue of funded projects and their achievements;
- 2) a selection of social media platforms, such as LinkedIn, Twitter (particularly for potential applicants; project partners; multipliers; decision makers), Facebook, Instagram (particularly for potential applicants; project partners; multipliers) and YouTube (for all target audiences);
- 3) other online exchange platforms, such as a digital matchmaking tool;
- 4) the online monitoring system;
- 5) events, including own events, consultations, other events and EU-wide events;
- 6) newsletters;
- 7) surveys and other means to collect qualitative feedback;
- 8) EU-wide campaigns and events, including those organised in cooperation with other Interreg programmes.

Participating countries take part in the communication activities and run national activities in their territories.

Project platforms is one of the core tools to spread project results.

Monitoring and evaluation

The Programme will regularly monitor and evaluate core aspects of communication to flexibly adapt e.g. to changing or arising needs of the target audiences, and to validate success in communication. The Programme communication will also consider the Programme lifecycle to properly match communication activities with the needs of the audiences.

The indicators, baselines and targets reflect the audiences targeted and channels used, and combine:

- 1) quantitative measures, such as statistics on the website traffic and conversions; newsletter openings, social media engagement (as outcome indicators);
- 2) qualitative measures, based on surveys among applicants and project partners to measure their satisfaction (as result indicators).

The Programme will allocate at least 0.3% of the total Programme budget to communication in order to ensure sufficient resources and means to mobilise relevant partnerships, enable projects to succeed and to make Interreg acknowledged.

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

Reference: point (i) of Article 17(3), Article 24

In accordance with Article 24.1(a) of Regulation (EU) 2021/1059 (Interreg Regulation) the Programme implements small projects directly within the Programme.

Small projects aim to facilitate an easier access to the Programme and a simplified project implementation. This is meant to attract organisations that are underrepresented in the Programme, have not participated for a longer period of time or never participated in the core projects. The small project instrument targets mainly local, regional and national authorities as well as NGOs.

Small projects can cover all thematic objectives (priorities 1-3) of the Programme and need to clearly thematically fit into one of them. The activities as well as the results and outputs of a small project have to be appropriate to serve at least one of the following aims:

- building trust that could lead to further cooperation initiatives
- initiating and keeping networks that are important for the BSR
- bringing the Programme “closer to the citizens”
- allowing a swift response to unpredictable and urgent challenges

The purpose of small projects needs to clearly go beyond the lower level of cooperation like meetings or exchanging information. Projects are encouraged to implement experimentation activities in terms of application of new solutions or approaches.

The overall budget of a small project is limited to EUR 500,000. The projects will be implemented under simplified cost options exclusively.

7. Implementing provisions

7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 9

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	Investitionsbank Schleswig-Holstein (IB.SH)	Mr Erk Westermann-Lammers (Managing Director, CEO); <i>Mr Ronald Lieske (Director MA/JS of Interreg Baltic Sea Region)</i>	info@ib-sh.de info@interreg-baltic.eu
National authority (for programmes with participating third or partner countries, if appropriate)			
Audit authority	Ministry of Justice, European Affairs and Consumer Protection of Land Schleswig-Holstein, Germany	Mr Markus Stiegler (Head of Unit)	markus.stiegler@jumi.landsh.de
Group of auditors representatives	Audit in DE: Ministry of Justice, European Affairs and Consumer Protection of Land Schleswig-Holstein, Germany	Mr Markus Stiegler (Head of Unit)	markus.stiegler@jumi.landsh.de
	Audit in DK: Danish Business Authority/EU Controlling	Mr Svend Holger Wellemberg	SveWel@erst.dk
	Audit in EE: Ministry of Finance, Financial Control Department	Mr Mart Pechter	mart.pechter@fin.ee

	Audit in FI: Ministry of Finance/Audit Authority Unit, Finland	Ms Sirpa Korkea-aho	sirpa.korkea-aho@vm.fi
	Audit in LT: Ministry of the Interior of the Republic of Lithuania, Centralized Internal Audit Division	Ms Rasa Rybakoviėnė	rasa.rybakoviene@vrm.lt
	Audit in LV: Ministry of Environmental Protection and regional Development /Internal Audit Department, Latvia	Ms Elīna Valeine	Elina.Valeine@varam.gov.lv
	Audit in NO: Office of the Auditor General of Norway	Mr Tor Digranes	Norway does not plan to continue with second level audits and membership in GōA
	Audit in PL: Ministry of Finance, Department for Audit of Public Funds, Poland	Ms Katarzyna Kwiecińska-Gruszka	Katarzyna.kwiecinska-gruszka@mf.gov.pl
	Audit in RU: Ministry of Finance of the Russian Federation / Department of International Financial Relations, Russia		Under clarification
	Audit in SE: Swedish National Financial Management Authority	Mr Johan Sandberg	Johan.Sandberg@esv.se
	Audit in Åland (FI): National Audit Office of Åland	Mr Dan Bergman	Under clarification
Body to which the payments are to be made by the Commission	Investitionsbank Schleswig-Holstein (IB.SH)	<i>Mr Ronald Lieske (Director MA/JS of Interreg Baltic Sea Region)</i>	info@interreg-baltic.eu

7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

Investitionsbank Schleswig-Holstein (IB.SH) has been nominated by the Joint Programming Committee as Managing Authority and Joint Secretariat (MA/JS) for Interreg Baltic Sea Region for the funding period 2021-2027.

IB.SH is a non-profit making public development bank owned by the German Federal State (Land) Schleswig-Holstein. The tasks of the MA/JS will be carried out by IB.SH's department Interreg Baltic Sea Region located in Rostock/Germany, which has been responsible for the management of transnational cooperation programmes in the region since 1997.

The MA/JS will be operated as a joint functional unit led by one director. The MA/JS will have international staff, preferably with professional work experience from the Baltic Sea region, and will communicate in the programme language English. Staff of the MA/JS will be employed by the IB.SH.

The MA/JS will in particular assist the monitoring committee in carrying out its functions. It will be the main contact point for the public interested in the Programme, potential beneficiaries and selected/running operations. In particular it will, as defined in Art. 46 (2) of Regulation (EU) 2021/1059 (Interreg Regulation),

provide information to potential beneficiaries about funding opportunities and shall assist beneficiaries and partners in the implementation of operations. Where appropriate the MA/JS will also assist the Audit Authority. Such assistance to the Audit Authority is strictly limited to administrative support as for example provision of data for drawing of the audit sample, cooperation on preparation and follow up of the group of auditors' meetings, ensuring the communication flow between different bodies involved in audits. This support does not interfere with the tasks of the audit authority as defined in the Art. 48 of Regulation (EU) 2021/1059 (Interreg Regulation).

The work of the MA/JS will be based on the principles of transparency, accountability and predictability to make sure that best use will be made of European taxpayers' money.

The MA/JS will be financed from the TA budget of the Programme.

The participating countries may decide to establish contact points to inform the beneficiaries about the programme.

Management verifications, role of controllers

Management verifications according to Article 46(3) of Regulation (EU) 2021/1059 (Interreg Regulation) of expenditure other than those under the simplified cost option scheme will be carried out by a body or person (the controller) designated by the participating country responsible for this verification on its territory. MA/JS shall satisfy itself that expenditure of each beneficiary participating in an operation has been verified by a controller. More details will be stipulated in the Programme Manual.

Management verifications (controls) according to Article 46(3) of Regulation (EU) 2021/1059 (Interreg Regulation) of expenditure under the simplified cost option scheme will be carried out by MA/JS. MA/JS may involve the designated controllers of participating countries in verification of expenditure declared under the simplified cost option scheme.

Each participating country shall designate the controller(s) responsible for carrying out the verifications of expenditure of the beneficiaries on its territory.

The method of designation of controllers will be decided upon by each participating country separately and may vary between the participating countries.

Any designation or recall of a controller shall be reported to the MA/JS.

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

Reference: point (c) of Article 17(6)

Reduction and recovery of unduly paid funds from beneficiaries

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

If the lead partner does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead partner or project partner, the EU Member States on whose territory the beneficiary concerned is located or, in the case of an EGTC, is registered, shall reimburse the managing authority based on Article 52 of Regulation (EU) 2021/1059 (Interreg Regulation).

Details on the procedure will be included in the description of the management and control system to be established in accordance with Article 69 of Regulation (EU) 2021/1060 (CPR). In accordance with Article 52 of Regulation (EU) 2021/1059 (Interreg Regulation) once the EU Member States reimbursed the MA/JS any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law. This applies also to Norway.

In case of unlawful aid (State aid) further requirements for recovery of unlawful aid (State aid) shall be fulfilled. The details will be laid down in the procedure described in the Programme Manual.

The MA/JS shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the participating Member States as laid down in the Programme and in Article 52 of Regulation (EU) 2021/1059 (Interreg Regulation).

With regard to financial corrections imposed by the MA/JS or the European Commission on the basis of Articles 103 or 104 of Regulation (EU) 2021/1060 (CPR), financial consequences for the EU Member States are laid down in the section "liabilities and irregularities" below. Any related exchange of correspondence between the European Commission and an EU Member State will be copied to the MA/JS. The MA/JS will inform the audit authority/group of auditors where relevant.

Liabilities and irregularities

Each EU Member State is responsible for reporting of irregularities committed by lead partners or project partners located on its territory to the European Commission (OLAF) and at the same time to the MA/JS. Each EU Member State shall keep the European Commission as well as the MA/JS informed of any progress of related administrative and legal proceedings. The MA/JS will ensure the transmission of information to the Audit Authority.

If MA/JS suspects an irregular use of granted funds by a lead partner or any other partner of an operation, it shall inform the competent national administrations and relevant MC members.

If irregularities were discovered by any other Programme body or national authorities, these shall inform the MA/JS without any delay either.

The methodology of notification and decision about irregularities as well as the recovery of funds unduly spent on project level will be laid down in the Programme Manual.

In addition to the recovery procedure a (partial) termination of the Subsidy Contract is an option to proceed. Further proceedings related to the (partial) termination shall be dealt with in the Subsidy Contract/Programme Manual.

Where the MC in agreement with the MA and the participating country concerned decides that IB.SH shall initiate or continue legal proceedings to recover amounts unduly paid from a lead partner or project partner, the participating country which would be liable according to Article 52 of Regulation (EU) 2021/1059 (Interreg Regulation) undertakes to reimburse the IB.SH the judicial costs and costs arising from the proceedings, on presentation of documentary evidence, even if the proceedings are unsuccessful. It will always be the participating country concerned covering the costs of legal proceedings.

The participating country shall bear liability in connection with the use of the Programme funding as follows:

- Each participating country will bear liability for project related expenditure granted to project partners located on its territory.
- In case of a systemic irregularity or financial correction (decided by the Programme authorities or the European Commission), the participating country will bear the financial consequences in proportion to the relevant irregularity detected on the respective territory of that country. Where the systemic irregularity or

financial correction cannot be linked to a specific country, the country shall be responsible in proportion to the programme contribution paid to the respective national project partners involved in the Programme.

- According to Article 27 of Regulation (EU) 2021/1059 (Interreg Regulation) the TA is calculated by applying a flat rate to the eligible project expenditure declared to the European Commission. Consequently, the liability for the TA expenditure is regulated according to the principles applicable for project related expenditure, systemic irregularities or financial corrections. These may also be applied to TA corrections as they are the direct consequence of corrections related to project expenditure.

Non-respect of the agreed provisions and deadlines – sanctions

Inter alia the agreed provisions concern national responsibilities related to audit and control systems, apportionment of liabilities related to co-financing the TA, financial corrections and recovery procedures.

In the event of non-respect of the agreed provisions the cases shall be treated case by case. If a participating country does not comply with its duties, the MA is entitled to suspend payments to all project partners located on the territory of this participating country. Before the implementation of any sanctions, additional steps are taken by MA/JS, including the involvement of the MC, to solve the case.

Procedures for handling cases of non-respect of agreed provisions and deadlines on project level will be stipulated in the Subsidy Contract and the Programme Manual.

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

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

Table 10: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 94 and 95	YES	NO
From the adoption the Programme will make use of reimbursement of the Union contribution based on unit costs, lump sums and flat rates under priority according to Article 94 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input type="checkbox"/> X
From the adoption the Programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input type="checkbox"/> X

MA/JS comments (copied from INTERACT Q&A related to the Interreg programme template):

Appendix 2 (Union contribution based on unit costs, lump sums and flat rates) is compulsory if simplified cost options are based on Art. 46 and Art. 88 CPR (reimbursement relation between the EC and the programme). If simplified cost options are based on Art. 48 CPR (implemented between programme and beneficiary exclusively) there is no need to fill in the appendix.

Regarding appendix 2 (SCOs), if a programme wants to be reimbursed by the EC on the basis of simplified cost options as it is stated in Article 46 draft CPR Regulation, then, it must do it via Article 88. It does not have a choice (ie it is not that it may use article 88 but it must use Art.88). However, a programme may very well decide to use simplified cost options as in the current period, ie to use simplified cost options to reimburse beneficiaries. But it will be between MA-beneficiaries and the programme will not be reimbursed based on simplified cost options in line with article 46 (b), (c) or (d) draft CPR. The relationship between MA-beneficiaries in this respect will be regulated by article 48. In this sense the use of Article 88 (and the filling in of appendix 2) is not mandatory.

Appendix 3 (Union contribution based on financing not linked to costs) is compulsory if financing not linked to costs is applied in accordance with Art. 46 and Art. 89 CPR (reimbursement relation between the EC and the programme).

APPENDICES

Map of the programme area

Appendix 1: Union contribution based on unit costs, lump sums and flat rates

Not applicable

Appendix 2: Union contribution based on financing not linked to costs

Not applicable

Appendix 3: List of planned operations of strategic importance with a timetable – Article 17(3)

Not applicable

05. Annex 01 – CP final version



INTERREG EUROPE 2021-2027

Cooperation Programme document

Draft final version

June 2021

Based on the "Template for Interreg programmes" as stated in Annex of the European territorial cooperation Regulation – Note from the General Secretariat of the Council - V 11.12.2020

TEMPLATE FOR INTERREG PROGRAMMES

CCI	
Title	Interreg Europe
Version	Draft final version
First year	2021
Last year	2027
Eligible from	
Eligible until	
Commission decision number	
Commission decision date	
Programme amending decision number	
Programme amending decision entry into force date	
NUTS regions covered by the programme	
Strand	C

Table of contents

1. Programme strategy: main development challenges and policy responses.....	5
1.1 Programme area (not required for Interreg C programmes)	5
1.2. Summary of main joint challenges.....	5
1.2.1. Context of the programme, including EU major strategic orientations	5
1.2.2. Disparities and inequalities across Europe and challenges for regions	6
1.2.3. Complimentary and synergies with other funding programmes and instruments	11
1.2.4. Lessons-learnt from past experience	13
1.2.5. Macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies	14
1.2.6. Strategy of the programme	14
1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure	18
2. Priorities	19
2.1. Title of the priority (repeated for each priority)	19
2.1.1. Specific objective	19
2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate.....	19
2.1.3 Indicators	22
2.1.4 The main target groups	24
2.1.5 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools	25
2.1.6 Planned use of financial instruments	26

2.1.7 Indicative breakdown of the EU programme resources by type of intervention.....	26
3. Financing plan	27
3.1 Financial appropriations by year.....	27
3.2 Total financial appropriations by fund and national co-financing	28
4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation	30
5. Approach to communication and visibility for the Interreg programme, (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation).....	33
6. Indication of support to small-scale projects, including small projects within small project funds	35
7. Implementing provisions.....	36
7.1. Programme authorities	36
7.2. Procedure for setting up the joint secretariat.....	36
7.3 Apportionment of liabilities among participating Member States and where applicable, the third countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission	37
8. Use of unit costs, lump sums, flat rates and financing not linked to costs	39
APPENDICES.....	40
Appendix 1. Map of the programme area.....	40
Not applicable to Interreg C programmes	40
Appendix 2. Union contribution based on unit costs, lump sums and flat rates.....	40
Appendix 3. Union contribution based on financing not linked to costs.....	40
Appendix 4. List of responding organisations to the survey as part of the public consultation on the draft final CP.	40

1. Programme strategy: main development challenges and policy responses

1.1 Programme area (not required for Interreg C programmes)

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

1.2. Summary of main joint challenges

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

The programme context is based on the following key sources of information: a) Seventh report on economic, social and territorial cohesion. My Region, My Europe, Our Future – 2017; b) State of the European Territory – Contribution to the debate on Cohesion Policy post 2020 - ESPON – 2019; c) Territorial Agenda 2030 - 2019; d) Synergies between IE and Smart Specialisation', JRC Technical Report 2018; e) Evaluation reports – Interreg Europe 2014-2020 programme – 2020; f) EC website.

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

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

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

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

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

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

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

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

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

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

1.2.2. Disparities and inequalities across Europe and challenges for regions

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

The triennial report on economic, social and territorial cohesion provides a very valuable insight on major trends at work. The 7th Cohesion Report released in 2017 highlighted key aspects that are still to be considered for the 2021-2027 programming period, such as the narrowing of regional disparities, the fact

that investments in innovation, skills and infrastructure are insufficient and more investments are needed in energy efficiency, renewables and climate-neutral transport to reduce greenhouse gas emissions. However, other trends need to be interpreted with a lot of caution as the economic and social consequences of the 2020 health crisis could have very huge, damaging and long-lasting effects in many sectors, and on the employment after its progressive recovery since the 2008 financial crisis.

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

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

A smarter Europe

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

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

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

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

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

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

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

A greener, climate-neutral and resilient Europe

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

As regards energy, increased efforts will be necessary to achieve the European Green Deal, the European Climate Pact and the upcoming 'Fit for 55' package and its target to reduce emissions by at least 55% in 2030. With a view to showing global leadership on renewables, the EU has set an ambitious, binding target of 32% for renewable energy sources in the EU's energy mix by 2030.

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

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

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

In addition, the EU Biodiversity Strategy for 2030 is also an important element of the European Green Deal. It aims at protecting our nature and reversing the degradation of ecosystems. EU regions have an important role to play in this process by ensuring effective protection of a significant part of our land and sea and integrating ecological corridors as part of a true Trans-European Nature Network. EU Nature Restoration Plan, which is a key element of the Strategy, has a potential of making EU regions not only more nature-friendly, but also offers opportunities to make them more resilient to climate change and other

environmental risks. Implementation of the Strategy will require, however, unlocking substantial funding from regional/cohesion funds and other sources, as well as involvement of actors at all levels of decision-making.

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

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

A more connected Europe

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

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

A more social and inclusive Europe

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

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

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

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

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

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

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

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

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

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

A Europe closer to citizens

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

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

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

1.2.3. Complimentary and synergies with other funding programmes and instruments

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

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

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

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

Furthermore, in case an IJ&G programme foresees interregional cooperation actions (Article 17.3.d.v of the Common Provisions Regulation), the complementarity happens automatically. The regions that opted so far for this type of cooperation have specific thematic or geographic aims that could not be covered by any of the existing Interreg programmes. As was the case in the past, these regions will need to define and design of their own cooperation rules. This is where INTERACT can help by bringing inspiration from existing Interreg programmes. Beyond the definition of the rules, Interreg Europe can also help in implementing this form of cooperation when regions are looking for relevant partners or for relevant thematic experiences.

The complementarity to the Interregional Innovation Investment Instrument

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

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

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

The complementarities to other Interreg programmes

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

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

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

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

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

The complementarities to other EU instruments and EU policies

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

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

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

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

The Interreg Europe support to a greener, climate-neutral and resilient Europe could benefit the specific instruments derived from the European Green Deal, the Resource Efficient Europe Flagship Initiative, the Circular Economy Package, the Zero Pollution Ambition, the Life Programme, the EU Biodiversity Strategy and the EU Strategy on Green Infrastructure, and the Knowledge and Innovation Community on Climate. The Knowledge Hub of the European Climate Pact is also a relevant initiative which could further contribute

to the dissemination of good practices and successes. Besides, the link to the Horizon Europe mission on adaptation and societal transformation offers opportunities to deal with climate change challenges.

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

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

The complementarities to smart specialisation strategies (S3) and its Platform

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

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

The complementarities to the Territorial Agenda 2030

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

1.2.4. Lessons-learnt from past experience

Lessons on operational aspects of cooperation projects and the platform

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

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

A second main aspect in project implementation regards the link to European Structural and Investment Funds (ESIF) programmes, which was a mandatory element for all Interreg Europe projects. The experience in 2014-20 has indicated some obstacles in establishing an effective link, especially as regards the timing

gap between the implementation of ESIF and the implementation of Interreg Europe projects. Therefore, it would be relevant to ease the obligation of linking projects to the ESIF programmes. The final evaluation also points to the need to involve as project partners the organisations that are directly responsible for the addressed policy instruments.

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

Lessons on policy change and impacts

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

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

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

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

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

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

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

1.2.6. Strategy of the programme

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

The European Territorial Cooperation (ETC) regulation (ETC regulation, Article 3.3.a) states that the aim of the Interreg Europe programme is to promote the exchange of experiences, innovative approaches and

capacity building focusing on policy objectives, in relation to the identification, dissemination and transfer of good practices into regional development policies, including Investment for jobs and growth goal programmes.

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

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

Overall objective of the Interreg Europe 2021 – 2027 programme

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

To improve the implementation of regional development policies, including Investment for jobs and growth goal programmes, by promoting the exchange of experiences, innovative approaches and capacity building in relation to the identification, dissemination and transfer of good practices among regional policy actors.

The Interreg-specific objective 'a better cooperation governance' as single programme objective

In view of the rationale and the overall objective of the programme presented above, the programme is structured on the basis of the Interreg-specific objective 'a better cooperation governance' (ETC regulation, Articles 14 and 15) - as the single and overarching objective of the programme.

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

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

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

Scope of the programme

As indicated above, the focus on the Interreg-specific objective 'a better cooperation governance' implies that beneficiaries can cooperate on all topics of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy. From a thematic perspective, this scope is defined by the

policy objectives and specific objectives of cohesion policy as presented in the Common Provision Regulation, Article 4 and the ERDF regulation, Article 2. At the same time, the programme recognises the need to concentrate resources on those policy areas that are most relevant and urgent for regions in Europe.

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

The composition of these two groups is presented below:

- **Group 1-** Thematic areas covered by:
 - all SOs under PO 1-Smarter Europe
 - all SOs under PO 2-Greener Europe
 - under PO 4-More social Europe, SOs related to labour markets (i), health care (iv) and culture and sustainable tourism (v)

- **Group 2-** Thematic areas covered by:
 - all SOs under PO 3-More connected Europe
 - all SOs under PO 5- Europe closer to citizens
 - under PO 4-More social Europe, SOs related to education (ii), socioeconomic inclusion (iii), integration of third country nationals (iii)bis

The topics included in group 1 above reflect the continued importance of the policy objectives of Smarter Europe and Greener Europe, which were also at the heart of the Interreg Europe 2014-2020 programme. At the same time this selection also reflects the emerging urgency at the time of programme development of addressing new fields of regional policy in light of the impact of the Covid-19 pandemic, in particular related to labour market and health care challenges under the More Social Europe objective.

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

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

Operationalising the strategy

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

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

On the other hand, the programme will continue to facilitate policy learning services and capitalisation of regional policy good practices on an ongoing basis – in line with the policy learning platform approach – to

enable regional level actors from across the EU to tap into relevant experiences and practices whenever they need them to strengthen their policies.

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

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

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

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

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

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

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection <i>Text field: [2 000 per objective]</i>
Interreg-specific objective (ISO) 'a better cooperation governance'	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	1	<p>The choice for the Interreg-specific objective is based on the following considerations:</p> <ul style="list-style-type: none"> • European regions are facing heavy economic, environmental and social challenges. • The cooperation potential of and opportunities for public institutions and stakeholders of European regions in order to promote the exchange of experiences, innovative approaches and capacity building on policy objectives and on issues directly related to policy instrument implementation, are not sufficiently developed and exploited in relation to the identification, dissemination and transfer of good practices into regional development policies, including investment for jobs and growth goal programmes. • The focus of the Interreg Europe programme on the exchange of experiences and capacity building among regional policy actors to improve their capacity for the design, management and implementation of their regional development policies fits perfectly the definition of the Interreg-specific objective on governance. • It is in line with the type of results that can be expected from the Interreg Europe programme, which are increased capacities of regional policy actors and improvements in the (implementation of) regional policy instruments. • It does justice to the diversity of regional policy challenges across the European territory. Under the umbrella of the Interreg-specific objective, regional policy actors can work together on all policy issues of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy. • It offers the programme a certain flexibility to adapt to emerging policy developments - again, within the scope of cohesion policy.

2. Priorities

Reference: Article 17(4)(d) and (e)

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

Reference: Article 17(4)(d)

Text field: [300]

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

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

2.1.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance) - Reference: Article 17(4)(e)

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

2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate - Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Text field [7000]

Introduction

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

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

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

1. Interregional cooperation projects

The programme will support *interregional cooperation projects* between regional policy actors. The objective of the projects is to improve the implementation of regional development policies of participating regions, including *Investment for jobs and growth goal (IJ&G) programmes* – in line with the programme mission as described in the ETC regulation (Article 3.4.a).

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

Projects are implemented in two phases.

The core phase lasts in principle a maximum of three years. It is dedicated to achieving policy improvement through learning. It consists of **activities** dedicated to exchange of experience, capacity building, transfer of good practices and innovative approaches. These activities contribute to increasing the professional capacity of the people and institutions participating in projects with the final aim to integrate the lessons learnt from cooperation into regional development policies.

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

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

Partner regions that do not achieve policy improvement during the core phase shall produce, by the end of this core phase, an **action plan for policy improvement**: a document explaining how a partner region will improve its policy thanks to the learning gained from the project.

The core phase is followed by the follow-up phase, which makes up the final year of the project. It is primarily dedicated to **monitoring** the first effects of the policy improvements and whether additional policy improvements are achieved. More specifically, partner regions who have already achieved policy improvements shall monitor the effect of these improvements in their territories. The other partner regions that produced an action plan for policy improvement are required to monitor whether the envisaged improvements are finally achieved. The programme reporting system will be designed to ensure a proper monitoring of this phase.

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

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

Projects are also expected to contribute to the content and activities of the Policy Learning Platform (see point 2 below) to ensure that relevant policy learning generated by projects can find its way to other regional actors in Europe.

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

2. Policy Learning Platform

Interreg Europe will support a **Policy Learning Platform** (from here on: platform) to facilitate policy learning and capitalisation of regional policy good practices on an ongoing basis. The aim of the platform is to enable regional policy actors from across Europe to tap into relevant experiences and practices whenever they need them to strengthen their institutional capacity in view of the improvement of their regional development policies, including programmes for investment in jobs & growth.

The platform offers a range of activities and services for the Europe-wide community of regional policy actors and stakeholders. The thematic coverage of the platform activities will reflect the thematic

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

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

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

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

2.1.3 Indicators

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RC081	Participations in joint actions across borders	Participants	5 000	14 000
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RC087	Organisations cooperating across borders	Organisations	6 900	12 000
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RC084	Pilot actions jointly developed and implemented in projects	Pilot actions	0	180
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	O14	Policy instruments addressed	Policy instruments	800	1 600

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Base-line	Reference year	Final target (2029)	Source of data	Comments
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	R/1	<i>People with increased capacity due to their participation on platform events</i>	Participants	0	2022	4 200	<i>Programme monitoring system & survey</i>	
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	R/2	<i>Organisations with increased capacity due to their participation in interregional cooperation</i>	Organisations	0	2022	7 900	<i>Programme monitoring system & survey</i>	
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	R/3	<i>Policy instruments improved thanks to Interreg Europe</i>	Policy instruments	0	2022	800	<i>Programme monitoring system</i>	

2.1.4 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

Text field [7000]

Target group

The core target group of the Interreg Europe programme consists of the policy responsible organisations, meaning organisations that are in charge of regional development policies. More specifically, the target group of Interreg Europe consists of national, regional, local public authorities and other relevant bodies responsible for developing and/or implementing regional development policies, including IJ&G programmes, in the thematic fields addressed by the programme.

Beyond the core target group, other relevant organisations are also targeted as long as their relevance and competence in regional development policies is demonstrated. This includes for instance (not exhaustive):

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

Note that certain specific activities of the programme, in particular of the Policy learning platform, may focus on a more limited sub-set of these target groups, in particular the core target groups. Further details on the nature of the involvement of these target groups in projects and in platform activities will be specified in the programme manual.

Regional stakeholder group

As described in 2.1.1.1., project partners shall engage with a regional stakeholder group. Members of these stakeholder groups could come from the target groups mentioned above (provided they are not partner in the project) as well as from other relevant categories, including SMEs and other relevant private sector bodies.

Eligible beneficiaries

Beneficiaries eligible to receive funding from Interreg Europe should be from one of the following categories:

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

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

Guiding principles for selection of projects

Interregional cooperation projects are selected through regular calls for proposals. These calls can be open to proposals addressing the full scope of the programme. The programme authorities may also open targeted calls for proposals focusing on certain topics, subject to the approval of the Monitoring Committee. Terms of reference for such calls may take into account developments and results of previous calls, policy trends and other new circumstances, as well as possible guidance by the policy learning platform.

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

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

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

Finally, horizontal principles (sustainable development, gender equality, equal opportunities and equal treatment) are duly taken into consideration in the application and selection procedure. The practical modalities will be further developed in the programme manual.

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

Reference: Article 17(4)(e)(iv)

Text field [7000]

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

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

Given its objective and geographical scope, Interreg Europe targets all regions of the programme territory, with no particular focus on specific territories. In this context, the use of specific territorial tools such as community-led local development or integrated territorial investments, is not applicable at the level of the programme.

However, the implementation of such territorial tools is an issue that could be addressed at project level. Regional policy actors from different regions may indeed be interested in improving the implementation of such tool through exchanging and transferring their experiences in this matter.

2.1.6 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

Text field [7000]

Given the nature of the activities supported by Interreg Europe, which constitute mainly of exchange of experience, capacity building, transfer of good practices and testing of innovative approaches, the use of financial instruments at programme level, is not foreseen

However, the implementation of financial instruments is another issue that could be addressed at project level. Regional policy actors from different regions may be interested in improving the implementation of their instruments through exchanging and transferring their experiences in this matter.

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

Reference: Article 17(4)(e) (vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders.	132	379,482,670

Table 5: Dimension 2 – form of financing

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF			379,482,670

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	ERDF			379,482,670

3. Financing plan

Reference: Article 17(4)(g)

3.1 Financial appropriations by year

Reference: Article 17(4)(g)(i), Article 17(5)(a)(i)-(iv)

Table 7

<i>Fund</i>	2021	2022	2023	2024	2025	2026	2027	Total
<i>ERDF (territorial cooperation goal)</i>	51,044,957	52,065,855	53,107,173	54,169,316	55,252,702	56,357,757	57,484,910	379,482,670
<i>ERDF programmed under Article 17(3)</i>	0	0	0	0	0	0	0	0
<i>IPA III CBC¹</i>	0	0	0	0	0	0	0	0
<i>Neighbourhood CBC²</i>	0	0	0	0	0	0	0	0
<i>IPA III³</i>	0	0	0	0	0	0	0	0
<i>NDICI⁴</i>	0	0	0	0	0	0	0	0
<i>OCTP</i>	0	0	0	0	0	0	0	0
<i>OCTP⁵</i>	0	0	0	0	0	0	0	0
<i>Interreg Funds⁶</i>	0	0	0	0	0	0	0	0
Total	51,044,957	52,065,855	53,107,173	54,169,316	55,252,702	56,357,757	57,484,910	379,482,670

¹Strand A, external cross-border cooperation.

²Strand A, external cross-border cooperation.

³ Strand B and C.

⁴ Strand B and C.

⁵ Strand C and D.

⁶ERDF, IPA III, NDICI or OCTP, where as single amount under Strands B and C.

3.2 Total financial appropriations by fund and national co-financing

Reference: Article 17(4)(g)(ii), Article 17(5)(a)
Table 8^a

Priority	Fund (as applicable)	Basis for calculation on EU support (total or public)	EU contribution (a)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Cofinancing rate (f)=(a)/(e)	Contributions from the third countries (for information)	
				Without TA pursuant to Article 27(1) (a1)	For TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)				
Priority 1	ERDF ²⁴	Total	379 482 670,00	351,372,842.59	28,109 ,827.41	94 870 667, 50	84,670,667, 50	10,200,000, 00	474 353 337, 50	80%	4,060,000	
	IPA III CBC ²⁵		0			0	0	0	0			
	Neighbourhood CBC ²⁶		0			0	0	0	0			
	IPA III ²⁷		0			0	0	0	0			
	NDIC ²⁸		0			0	0	0	0			
	OCTP Greenland ²⁹		0			0	0	0	0			
	OCTP ³⁰		0			0	0	0	0			

	Interreg Funds ³¹		0			0	0	0	0	0	0	0		
Total	All funds	Total	379 482 670,00	351,372,84 2.59	28,109,827.41	94 870 667,50	84,670,667,50	10,200,000,00	474 353 337,50	0	80%	4,060,000		

24 When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.

25 Interreg A, external cross-border cooperation.

26 Interreg A, external cross-border cooperation.

27 Interreg B and C.

28 Interreg B and C.

29 Interreg B and C.

30 Interreg C and D.

31 ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

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

Reference: Article 17(4)(h)

Text field [10 000]

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

Programming Committee

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

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

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

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

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

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

Public consultation

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

- the first draft version on 25 September 2020 with the first strategic orientations
- the second draft version on 18 December 2020 with the operational modalities for projects and the platform.
- the final draft version of the CP was put out for a formal public consultation over a prolonged period of five weeks from 15 March to 16 April 2021. Participation in this public consultation, which took

the form of an on-line survey, was open to all interested actors across Europe. Representatives of the Partner States actively communicated the possibility to participate in this consultation to the relevant stakeholders in their country. This online public consultation survey was consulted by 554 people, among which 158 completed the questionnaire, coming from all participating countries. These contributions included more than 250 individual comments and suggestions for modification or clarification of the programme. Public authorities (local, regional and national) represented 45% of the respondents, education and research institutions 18% and business support organisations 9%. A list of all responding organisations is provided in appendix 4 of this document.

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

Stakeholders workshop

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

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

Integration of partners' feedback in the cooperation programme

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

When it comes to the programme's strategy (section 1), the description of the overall context was improved. Specific references or more elaborated texts were included for instance on the link between biodiversity and climate change, the combination of green and digital technologies, the equal opportunities and role of people with disabilities in employment, the well-being dimension under a more social Europe. In response to the need to reinforce the coordination with other funding sources, the possible synergies to the Interregional Innovation Investments instrument as well as other relevant EU instruments (e.g. Horizon Europe) were further elaborated. Finally, several references to outermost regions were included to better recognise the unique character of their situation.

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

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

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

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

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

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

Strategic Environmental Assessment

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

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

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

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

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

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

All Partner States agreed to support the programme implementation with:

1. Eligibility check of partner status, based on the information provided and on the national legal framework.
2. Relevance check of the letter of support signatory (if applicable and further specified in the programme manual)
3. National specific information
4. Point of contact for potential applicants
5. Wide dissemination of programme information, including about the Platform services
6. Organisation of national/ regional events for information and dissemination, including promotion of the Platform services.

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

Reference: Article 17(4)(i)

Text field [limitation 4500] –

5.1. Objectives

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

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

5.2. Target audiences

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

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

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

5.3. Communication channels

To reach our target audiences and achieve our objectives:

- a. **Website**, meeting W3C criteria for accessibility, with a dedicated space for project websites ensuring their harmonised visibility, and the Policy learning platform, with an active and engaged online community
- b. **Social media** (Facebook, Twitter, YouTube, LinkedIn and Instagram) for constant communication with our audiences and targeted campaigns (the mix can evolve following new IT trends)

- c. **Public relations**, including formal partnerships and/or networking activities, to foster relations and build synergies with the programme's multipliers
- d. **Events** and meetings (online/ hybrid/ in-person), organised by the programme or third parties, to inform/engage/train our audiences
- e. **Publications** (online/ print), and audio-visual products in support of the programme's communication and visibility actions.

The programme will appoint a communication person to be in charge of the implementation of harmonised communication and visibility actions and to work closely with the national communication coordinator in France (as per CPR, Article 43), as well as with the Interreg representative in the INFORM EU network.

5.4. Planned budget

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

5.5. Monitoring and evaluation

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

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

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

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

Reference: Article 17(4)(new j), Article 24

Text field [7 000]

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

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(7)(a)

Table 10

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

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b)

Text field [3 500]

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

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

Where appropriate it also assists the audit authority. The assistance provided by the joint secretariat to the audit authority is strictly limited to administrative support, like the provision of relevant data for the drawing of the audit sample by the EC, the organisation and follow-up of the group of auditors meetings and written procedures, ensuring the communication flow between the different bodies involved (EC, audit

authority, group of auditors members, external audit firm if applicable) and keeping an up-to-date list of the group of auditors members. This support does not interfere with the tasks of the audit authority as defined in Article XX of the Regulation (EU) No XX [CPR] and in Article XX of the Regulation (EU) No XX [ETC].

The joint secretariat is funded from the technical assistance budget.

Based on Article 45(4) of Regulation (EU) No XX [ETC], the programme Partner States decided that the management verifications ("First level control") will not be done by the MA/JS, but through the identification by each Partner State of a body or person responsible for this verification on its territory.

Should the MC decide to reimburse part of the project costs through simplified cost options in line with Article 48 of Regulation (EU) No XX [CPR], the MC could decide on alternative FLC arrangements, which will be laid down in the management and control system description.

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

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

Reference: Article 17(7)(c)

Text field [10 500]

Reduction and recovery of payments from beneficiaries

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

If the lead partner does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead partner or sole beneficiary, the EU Member State on whose territory the beneficiary concerned is located or, in the case of an EGTC, is registered, shall reimburse the managing authority based on Article 50 of Regulation (EU) No XX [ETC]. In accordance with Article 50 of Regulation (EU) No XX [ETC], "once the Member State or third country reimbursed the managing authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law".

Details on the recovery procedure will be included in the description of the management and control system to be established in accordance with Article 63 of Regulation (EU) No XX [CPR].

The managing authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the participating Member States as laid down in the cooperation programme and in Article 50 of Regulation (EU) No XX [ETC].

With regard to financial corrections imposed by the Managing Authority or the Commission on the basis of Articles 97 or 98 of Regulation (EU) No XX [CPR], financial consequences for the EU Member States are laid down in the section "liabilities and irregularities" below. Any related exchange of correspondence between the Commission and an EU Member State will be copied to the managing authority/joint secretariat. The managing authority/joint secretariat will inform the accounting body and the audit authority/group of auditors where relevant.

Liabilities and irregularities

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

- For project-related expenditure granted to project partners located on its territory, liability will be born individually by each Partner State.
- In case of a systemic irregularity or financial correction (decided by the programme authorities or the Commission), the EU Member State will bear the financial consequences in proportion to the relevant irregularity detected on the respective Member State territory. Where the systemic irregularity or financial correction cannot be linked to a specific EU Member State territory, the Member State shall be responsible in proportion to the ERDF contribution paid to the respective national project partners involved in the programme.
- For the technical assistance expenditure (calculated as a flat rate in accordance with Article 26 of Regulation (EU) No XX [ETC]), the above liability principles applicable for project-related expenditure and systemic irregularities / financial corrections may also be applied to TA corrections as they are the direct consequence of project expenditure related corrections.

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

In compliance with Annex XX referred to in Article 63 of Regulation (EU) No XX [CPR], each EU Member State is responsible for reporting irregularities committed by beneficiaries located on its territory to the Commission and at the same time to the managing authority. Each EU Member State shall keep the Commission as well as the managing authority informed of any progress of related administrative and legal proceedings. The managing authority will ensure the transmission of information to the accounting body and audit authority.

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

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

Reference: Articles 88 and 89 CPR regulation

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

Intended use of Articles 88 and 89	YES	NO
From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 88 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption programme will make Use of financing not linked to costs according to Article 89 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDICES

Appendix 1. Map of the programme area

Not applicable to Interreg C programmes

Appendix 2. Union contribution based on unit costs, lump sums and flat rates

Appendix 3. Union contribution based on financing not linked to costs

Appendix 4. List of responding organisations to the survey as part of the public consultation on the draft final CP.

ETC/Interreg Regulation – Annex

Template version: Draft Interreg regulation, 11 December 2020 (13697/20)

CCI	
Title	Interact IV 2021-2027 Interreg programme
Version	
First year	
Last year	
Eligible from	
Eligible until	
Commission decision number	
Commission decision date	
Programme amending decision number	
Programme amending decision entry into force date	
NUTS regions covered by the programme	
Strand	

1. Joint programme strategy: main development challenges and policy responses

1.1. Programme area (not required for Interreg C programmes)

Reference: Article 17(4)(a), Article 17(9)(a)

Text field [2 000]

Not applicable for Interact

1.2. Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other funding programmes and instruments, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

Reference: Article 17(4)(b), Article 17(9)(b)

Text field [50 000]

According to Article 3.4 of the draft Interreg Regulation, the objective of interregional cooperation is to reinforce the effectiveness of the cohesion policy. As such, Interreg programmes are the main target group of the Interact IV Programme. Other cooperation stakeholders such as macro-regional strategy actors, actors in the context of (draft) Article 17 of the Common Provisions Regulation (CPR), and other policy actors implementation cooperation will also receive support. Instead of a territorial analysis approach, this section shall focus on the needs of these target groups.

Interreg SWOT analysis

It is first relevant to understand Interreg as policy tool, its 'Strengths' and 'Weaknesses' and to consider the 'Opportunities' and 'Threats' (SWOT) in the context of 2021-2027 period. The below analysis was conducted with the support of Interact's core stakeholders, including Member States through the Programming Task Force, Programming Committee and with Interreg programmes, as part of the Interact IV programming process. Through this analysis, Interact is able build proposed areas of intervention to support programmes as they seek to tackle joint challenges, respond to joint investment needs and find complimentary and synergies with other funding programmes and instruments. The SWOT analysis revealed areas where target groups may need specific help and support in order for Interreg to become an even more effective tool, and to be recognised as such, within cohesion policy and beyond.

As ex-ante evaluations are no longer required, Interact sought additional insight to cross reference the SWOT analysis with other EU-level documents. These documents included but were not limited to: the 7th Cohesion Report; Ex-post evaluations of programming period 2007-2013; Boosting growth and cohesion in EU border regions; and Strengthening Innovation in Europe's Regions - Strategies for resilient, inclusive and sustainable growth. While there are many possible additional ideas from these documents, the below is a summary which defines the approach of the Interact IV Programme.

The full SWOT analysis can be found in Strategic Orientation Paper for Interact IV, which is available on request.

Strengths

The added value of Interreg, especially in the European integration context, is recognised in the main documents reviewed. Furthermore, when fundamental questions are asked about 'the European project', cooperation and European Territorial Cooperation (ETC) in particular are core parts of the answer; how cooperation brings neighbours, as well as people and EU institutions closer together. Supported by 30 years of experience, Interreg programmes are established as stable structures to manage multi-annual funding for cooperation actions within a territory. There is a reason why macro-regional strategies (MRS), sea-basin strategies (SBS) and initiatives, as well as other territorial strategies seek Interreg support, not only in terms of funding but in experience as well. At the same time, a link to such a strategy can give Interreg programmes additional strategic recognition within given policy or territory.

These territorial focuses also encourage Interreg to avoid sectoral silos and provide a place where different competences (and interests) can meet to solve common challenges in innovative ways. This is why Interreg programmes and projects are seen as innovation and learning incubators, where stakeholders from multiple layers and regions can participate in the co-creation process in order to improve public governance and service to citizens. Interreg benefits from a motivating work environment, where structures to promote EU policies to citizens exist and have widespread support, such as European Cooperation Day, and the Regio Stars Awards.

Another important strength of Interreg is the active community, the human capital. It has driven the development of these programmes during these 30 years. Interreg can be proud of the way those implementing cooperation show enormous capacity to learn from each other, to adapt their work and approaches within a constantly changing environment. The ability to find innovative solutions amid a complex structure with multiple legal frameworks, including with local interpretations of the same European level rules, is especially noteworthy.

Weaknesses

The complexity (of interests, stakeholders, ideas, structures, rules, etc.) in Interreg has a high impact on the strategic level. The fact that the programmes bring together such diversity creates an ownership challenge in terms of strategic steering and the implementation of the programmes and the projects. On one extreme, it can lead to conflicts due to differing visions or understanding, and on the other, a *laissez-faire* attitude where 'nobody' really feels responsible for taking on the leadership role. There are still examples where projects seem to define the programme, and not the other way around. While all programmes find their way to manage this complexity, in the long term all these 'challenges' may be too difficult to understand for EU policy stakeholders. While cooperation, and Interreg specifically, is seen as a serious policy tool, without the shared vision for cooperation, the importance of this work in

contrast to other funding mechanisms means it may not get proportionate prioritisation, particularly when it comes to funding.

The number of programmes, each funding a number of projects does not make it easy to tell the story of cooperation at accumulated policy level. Each project is an individual success telling its own local story, but these do not naturally find each other in order to tell the more comprehensive story at an EU level. This EU level storytelling is vital in order to satisfy the political logic of policy accountability at EU level. The disconnect between territorial successes of Interreg and sector specific policy logic may create an unbridgeable gap.

The lack of a clear strategic vision for cooperation at the EU level poses further challenges to Interreg, in order to develop a strategically recognised policy monitoring system (indicators) that would enable the story of cooperation to reach EU level policy makers in a right way. To date, attempts are bottom up, educated guesses as to political requirements. The fact that Interreg results are normally long-term, and that better cooperation may sometimes be a result in itself, does not always fit into the wider political and policy narrative. In effect, instead of appreciating the cooperation for what it is, other objectives are added, leading to goal congestion and a confusion of focus. The absence of a structured learning cycle from evaluation process (operational and impact) as a standard practice in all programmes does not help programmes respond to this challenge either.

The Commission publication 'Easing legal and administrative obstacles in EU border regions' (2017) raised the importance of cooperation between all key stakeholders for a given obstacle to be removed, and consequently for the desired benefit to be realised. Interreg programmes have a relatively high entry costs for new beneficiaries, due to their complex structure, and have a tendency towards gold plating resulting from the prevailing 'zero-risk' culture. As such, other funding sources may be 'an easier catch' for newcomers, and therefore the presence of typical subjects and long-term project partners generally prevail in Interreg.

With resources often focused on the real, or perceived, complexity of administration, the strategic work on establishing and enhancing real connections within the territory and in tackling the identified joint challenges may be neglected. Connections between Interreg programmes are weak, and the connection between Interreg and the Investment for Jobs and Growth (IJG 2021-2027, or IGJ in 2014-2020) programmes are even weaker. As a result, Interreg may be re-financing the same ideas and on a higher level, and miss the opportunity to anchor programmes and project results in policy frameworks that make them more sustainable. This focus on administration-first makes it difficult to invest real resources in developing internal policy expertise in the relevant fields for the programme.

Last but not least, the cycle returns to resources and the structural challenge Interreg programmes experience in financing daily operations with cash on account. The 'financial

flows' logic of structural funds apply to Interreg programmes without additional considerations. This makes the Technical Assistance (TA) resources, the sole funding for programme staff, vulnerable and not always in-sync with programme needs at the various points in the programme life-cycle. Coupled with relative low use of Simplified Cost Options (SCOs), it also requires beneficiaries to be able to long term pre-finance their own activities. This further raises challenges for new beneficiaries, and may even prohibit the participation of beneficiaries without the financial resources to wait for repayments.

Opportunities

The new programming period carries a substantial hope for simplification. The legislative package draft has been substantially reduced and should function as the integrated framework for all Cohesion Policy funds. There should be less secondary legislation in the form of guidance, which exploded in the 2014-2020 period and further complicated the understandings of the legal statuses. The initial idea of 'no guidance' has moved to 'less guidance', which avoids the risks of total void on clarification, where it is needed.

Some of the simplification proposals go further than what has been on the table so far, such as the single audit sample, risk based management verifications, and the amplification of SCOs. The accounting function can (but does not have to) be fully integrated into the Managing Authority, and programmes can work outside eligible area without the need to monitor specific limits. Taken together this should substantially reduce the focus (and resources) on the administrative side of programme management.

The increased pressure on resources may create a positive environment to take a new approach. With less resources, there is an opportunity to test a new models of coordinating interventions between programmes in overlapping territories, regardless of the programme strand (i.e. cross-border and transnational). This 'opportunistic' thinking, without a regulatory requirement to do it, could be used to re-think programme niches in such overlapping geographies for all programmes. This can be taken even further if innovative initiatives like repayable assistance are again put on the table, during the programming process.

These simplification and reinvention efforts could be an opportunity to make cooperation more attractive and more approachable for stakeholders beyond Interreg, such as new beneficiaries. In particular, the Commission's 'Strengthening Innovation in Europe's regions - Strategies for resilient, inclusive and sustainable growth' publication promotes cooperation as a tool for dialogue, learning, inspiration and investment initiatives/projects. Interreg should profit from this spotlight attention as an 'incubator of cooperation' in Europe.

This should of course go beyond a pure marketing stunt and be link to a strategic agenda. Anchoring at least some Interreg activities into the challenge of permanently solving the border obstacles identified in the above-mentioned publication could be a way of achieving

this. This may call for much stronger political leadership and commitment of participating Member States and Managing Authorities (MA), which would need to lead and sustain an active dialogue between institutions having the key role in removing the given obstacle. At the same time, calls for a renewed Territorial Agenda 2030 emphasise the need to come back to the place-based approach and highlight the role of territorial cooperation and governance of functional areas. Both are the strengths of Interreg.

Last, but not least, the common result indicators should lead to the effective capturing of accumulated Interreg contribution to the Cohesion Policy, even if we do not feel that they fully represent Interreg core added value. This in turn could help communicate Interreg even more strategically and respond to the European Council call on making Cohesion Policy more visible.

Threats

The logic of the legislative proposal 2021-2027 was presented rather as an evolution than a revolution. Although it can be noted that this view is not held by all stakeholders. However one perceives these individual changes, the accumulated change with some of the new, more revolutionary, proposals may still be draining resources towards administration of these changes. In this way, the opportunity to focus resources on content may not be realised. As with most of the interests and interactions in cooperation, the accumulated change process will require resources to be actively managed. In effect, the perceived and/or real complexity of Interreg will remain and the new potential Interreg beneficiaries may still find it easier to go to the 'simpler' funding sources. In an extreme case, even the usual suspects in the Interreg context, may choose to change to another fund, as indicated in a number of studies, including the European Parliament research paper 'Gold plating in the European Investment funds'.

Clearly, some of the proposals are revolutionary enough that the success can go both ways. The single audit sample may be a huge simplification and reduction of administrative burden, if programmes can be brought on board. Programmes may also face some (political) objections to trust the new system. These changes may also create unexpected consequences for the overall management and control system of individual programmes. Certainly, the risk of negative unpredicted consequences exists and will need management. Similarly, the reduced co-financing rate coupled with flat rate on TA reimbursements may lead to lack of resources in some stages of programme life-cycle.

The suggestion to introduce component 5 in Interreg was quite a surprise, but it can be seen as a recognition of cooperation of being able to solve some of the strategic challenges of Europe. Following negotiations, this was removed from the Interreg structure, but there is potential that the idea will have a longer-term impact. If it is successful, due to its political appeal, it may further detract resources from Interreg in subsequent funding periods. If it is not, the

failure may (justifiably or not) be 'blamed' on cooperation and Interreg may be thrown into the same 'unsuccessful bag'. In the same manner, the scale of expectations towards Interreg support to MRS, if not realistic, may lead to disappointment on delivery from the strategic stakeholders.

This mismatch of expectations and Interreg capacity may be a symptom of a bigger general issue of a lack of common understanding and acceptance of what to measure in cooperation programmes. We may continue a conflict between the political need for an immediate and tangible result and the Interreg reality, where results have a more long-term impact and are less tangible in nature. The scale of this conflict is always tested between programming periods, and particularly in setting resources in the Multi Annual Financial Framework. The challenge of the reduction in the Interreg 2021-2027 budget amplifies the challenge of seeking to create larger, politically attractive results through diminished resources.

Cooperation actors in the context of draft Article 17 CPR

In addition to Interact IV's core target audience, the programme is tasked to work on harmonising and simplifying possible cooperation actions, that is to say "interregional, cross-border and transnational actions with beneficiaries located in at least one other Member State or outside the Union, where relevant" and financed by IJG programmes (draft CPR, Article 17.3.d.v).

In preparations for the new programming period, in 2019 Interact informally approached a number of actors responsible for drafting the new IJG programmes in order to understand their ideas on the implementation of the requirements of Article 17.3.v.d (draft CPR). This was done to respond to a request from the Interact III Programme Monitoring Committee to explore interest and envisaged support to establish cooperation with IJG programmes.

Through these discussions, Interact observed that interest and preparedness to make use of this article varies between programmes and Member States. While the approach in 2019 was perhaps too early for programmes to offer considered feedback, key observations from that meeting included:

- Several responses that pointed to 'business-as-usual' scenario – i.e. no plans to accommodate the provisions in national/regional programmes.
- Programmes highlighting that the application of the draft Article 17.3.v.d should be based on real needs and not to merely satisfy the regulations to avoid the 'tick-box' effect. They also pointed to difficulties in defining ex-ante transnational actions, and concerns based on the experience of implementing transnational actions across Member States.
- Some programmes that had already started programming, with no specific thought or awareness of what the article means in practice. They were open to learn more, including about possible Interact support.

- For some, the perception associated with high administrative obstacles for implementing measures with beneficiaries from other Member States needs to be tackled. Support from Interact to harmonise and simplify the application of the article would be welcome.
- Issues of eligibility of transnational actions, the differences in administrative and control systems, as well as the application procedures. These issues were a concern for some Member States even when thematic cooperation made sense.
- Specific opportunity provided by the article in the context of embedding MRS into mainstream programmes as best as possible.
- Specific idea on organising a national exchange on the article as a pilot for interested Member States.

Based on the gathered feedback and considering Interact experience and observation, one can conclude that there is a clear need for awareness raising and capacity building in this area. Until it becomes a habit and a tradition – cooperation requires constant and continuous support effort. Specifically, forcing cooperation on those not convinced of the benefits it brings, or perceiving it as an administrative and institutional burden, will not lead to good cooperation, and good results.

Interact SWOT

The above review paints a picture of the reality of Interact's customers and their potential needs. In order to understand the capacity of Interact IV to address the challenges, and best tailor our service portfolio, a similar SWOT analysis was conducted. It was based on the joint work of the Programming Task Force, Interact team and the evaluations available at the time.

The full SWOT analysis can be found in Strategic Orientation Paper for Interact IV, which is available on request.

Strengths

Since the start of Interact, in the 2000 – 2006 period, it has supported changes of practice in programme authorities and cultures ('mindsets'), which contribute to the achievement of wider impacts on the efficiency and effectiveness of programme implementation. This was a key finding of the Case-based Impact Evaluation (2019) conducted by the Centre for European Policy Studies, University of Strathclyde. In the 2014-2020 period, Interact's role was further solidified by linking the contribution of the programme to thematic objective 11 "Enhancing institutional capacity of public authorities and efficient public administration".

A reflection on Interact's history shows that the programme has been constantly evolving to address the needs of the target groups. In this process, Interact's team has taken on many new and challenging tasks and this has led to numerous debates and discussions. Interact continues to take on an expanding role in finding, defining and voicing the opinion of the Interreg

community, and ensuring that the Interreg specificities are recognised and given appropriate attention during policy making and implementation.

A core success of the programme is engaging Interreg actors in networks of expertise. Over the years Interact has looked at Interreg from a 360-degree perspective, all practices and requirements related to programming and implementation have been scrutinised, relevant target groups identified and engaged in specialist networks. These practices are far-reaching and are not restricted to management aspects alone. Increasingly, Interact has built capacity in working with programmes on thematic issues, MRS actors, European Grouping of Territorial Cooperation (EGTC) practitioners, etc. Results from the Case-based Impact Evaluation highlight that Interact has "clearly enhanced the culture of inter-programme cooperation", and "has shaken the habits of programme authorities". In view of the provisions made in the Interreg regulation related to the new tasks for the programme, an important strength is that Interact staff have knowledge of and experience with tailoring services to the needs of strategic framework actors as well as other cooperation programmes and mechanisms. Even if the results are often soft or intangible in nature, the exchanges between these actors were evaluated as "invaluable" for promoting strategic structures and processes. They have also supported work to establish a foundation for better governance of the strategies.

A key immediate result of Interact's work can be linked to enhancing the administrative and institutional capacity of the Interreg actors to implement and manage their programmes. As the evaluation has concluded, in all five cases evaluated there is evidence of changes to structures and processes in Interreg, changes to staff skills and organisational culture as well as changes to systems and tools. There is also evidence that these have triggered changes at the project level as well. For example, Interact's tools have contributed to reducing the administrative burden for applicants and have led to other operational improvements, such as better calls for proposals by programmes, and supporting the applicant capacity to develop projects suitable for Interreg.

Interact has something to offer to everyone, regardless of their prior experience in Interreg. A quick review of the target groups covered by Interact services reveals that the programme relies on the broad engagement of a wide range of actors within and outside Interreg. This is also due to the broad expertise developed within the team on issues such as capitalisation, coordination and cooperation, programme management, SCOs, MRS and SBS implementation support, EGTC and many others. Developing tools and services for the implementation of the programmes and the policy in the 2021-2027 period will require even closer collaboration with these actors to ensure deeper matches between services and needs.

Feedback from stakeholders indicates that Interact is a respected and trusted partner in discussions. Independent, unbiased views and neutrality of discussions are signature characteristics from Interact in such discussions. These statements are supported by the

expanding scope of the target groups for Interact beyond Interreg. For example, actors of newer MRS have been engaged in existing networks and the network of audit authorities has developed into an active community. Interact has also reached the European citizen. Analysis of the 2020 edition of the European Cooperation Day campaign showed that it reached over two million people, particularly through increased social media activities. The potential use of and further developing of joined branding, strengthening capitalisation and better utilising dissemination channels can further boost these successes.

Some of the primary benefits of Interact can be linked to effectiveness, efficiency and free availability of resources, which support the resilience of programmes. Interact holds a small fraction of the Interreg budget and the conclusions from the Case-based Impact Evaluation show that this money is well-spent. It is a great success that Interact has supported programmes to save money and human resources. Interact's electronic Monitoring System (eMS) alone has led to a saving of up to EUR 20 million compared to a non-cooperative approach. Other initiatives such as keep.eu, the joint branding and Harmonised Implementation Tools (HIT) have also led to time and resources saving for individual programmes in a range of areas where implemented.

Interact's tools and services provide a "common basic standard for programme management". Improved efficiency is paired with improvements in quality of programme management, such as increase in legal certainty for programme authorities. Such certainty stems from the wide consultation during service delivery and product development stages, as well as the wide use and application of these solutions among the community and beyond. Providing uniformity of interpretations is another distinct benefit of Interact's services delivery. Interact services were also often seen by the ENI CBC programmes as an example for consideration, in spite of their alternative regulatory framework.

A key strength of Interact is that it has contributed to building an Interreg community and making this community visible and known among key policy makers and institutions (outside Regional Policy as well). Interact has actively supported the identification and promotion of Interreg achievements, and the awareness of Interreg amongst wider EU policymaking stakeholders has also increased. The European Commission, the European Parliament and Member States alike have increasingly acknowledged these results. This helps position Interreg in the policy tapestry.

The identity of a system or an organisation is rooted in its history. Interact has provided a valuable historical evidence and memory in keep.eu. The richness of Interreg can never be questioned as it has been preserved, spanning across several programming periods, to provide a solid and reliable knowledge base.

The strengths of Interact are rooted in the expertise, the professionalism, and personal drive of the Interact staff. They are also reliant on the strong culture of the programme to innovate and be pro-active towards the target groups. Over the years, Interact's structure has supported flexibility of service and strong customer orientation.

Weaknesses

One of the key strengths and perceptions of Interact, of being a trusted, neutral facilitator, is also linked to one of the weaknesses, i.e. efficiency gains for the Interreg community could be even more pronounced should Interact have stronger facilitation role, especially to enhance final decisions during discussions as part of delivery of larger service packages. The wide participatory approach, in some cases, could be paired with a stronger decision-making role to save time. The Case-based Impact Evaluation showed that this is particularly relevant for the development of big projects such as HIT, eMS and the joint Interreg brand. It has been acknowledged that extensive consultation can lead to, as one participant in the Case-based Impact Evaluation put it, a "complication" of the final product due to Interact striving to take every opinion on-board. Furthermore, Interact could benefit from more direct links to key legislators and decision-makers, and in particular from participation in their specialised expert networks. This would enable the establishment of a smoother flow of information and experience, as well as more targeted and efficient communication both upwards (towards e.g. the Commission) and downwards (i.e. towards the programmes).

The above shortcomings may be also linked to another challenge, associated mainly with the uptake of Interact services and implementation of the service as set by Interact. Products developed by Interact have been used to a varying degree by various stakeholders. It is also common (e.g. in the case of HIT, eMS, Interreg branding) that changes to final products were made by programmes who had not participated in the process of developing the tools, and decision making at key stages. The danger in these cases is that certain logic and rationale may be distorted and, in the worst case, the main gain can be lost, such as the benefit of harmonisation of specific programme practices. Again, this has an effect on the simplification efforts made on behalf of the whole community and could have negative resonance with the applicants and beneficiaries.

Interact has built a powerful reputation among the Interreg programme management bodies. Since Interact's inception, a strong sense of community and belonging has been built amongst the Interreg community, and Interact is part of this community. Nevertheless, the role of Interact in leading some of the strategic projects for the Interreg community is not well-known or acknowledged in policy-making circles and institutions. Interact can increase its presence among these actors and work harder to engage national authorities and Member States in promoting the services and achievements. This will be particularly relevant in view of the new tasks of engaging with IJG programmes as stated in the regulations.

The above implies that there is also an important task for Interact in addressing the above weakness. The strength of knowing the strategy and cooperation actors can be deepened within the Interact staff. There is also room for improving the internal exchange and knowledge of relevant actors outside the Interreg community. According to the evaluation, there is "great potential for Interact to do more"... "if proportionate resources are allocated". There is also a need for a "clear strategy" and "mandate" to help strengthen the service delivery.

The de-centralised structure of Interact is a strength as it has defined the flexible, customer-oriented culture of Interact. At the same time, some organisational challenges can be attributed to this setting.

Products and services are often developed by virtual teams, as those working on certain topics do not necessarily share the same office – a pre-existing situation further exacerbated during the COVID-19 pandemic by home-office requirements. The rich multi-cultural background of Interact staff makes service delivery more robust, at the same time different cultural, working and institutional backgrounds of the staff can lead to prolonged discussions to reach understanding and consensus. This is present on both the service delivery and management levels of the programme.

The wide service portfolio covered by Interact implies that not everyone can be engaged in everything. Indeed, there has been some office specialisation and leadership in dealing with certain fields. While this was often done to promote efficiency of service – i.e. as coordination among members from one office can be easier to organise and decision-making can be faster – it also reflects procurement realities in some cases. However, this can also facilitate the creation of silos, both on personal and office level, as well as within project teams. The risk exists that knowledge is concentrated in a few members of staff or an individual, and knowledge sharing and learning from each other can be inefficient.

Such silos make the programme vulnerable to sudden departure of staff and to loss of key knowledge and expertise. There could be also lack of staff for development and delivery of specialised services required by the target groups. Time to fully on-board Interact colleagues can also be long, with around six months required, before a new staff member is fully operational in their position. Clearer focus and orientation of the programme in the new period will address some of these concerns. The Case-based Impact Evaluation also stated that projects, such as HIT, eMS, and support to MRS also need proportionate resource allocation, this point is also relevant for other significant projects not included in the evaluation such as capitalisation and online learning.

Opportunities

There is a distinct opportunity for Interact to play a key role in supporting simplification. Firstly, in promoting simplification during programming to ensure that simplification provisions are taken up by programmes, and secondly in implementation to ensure that the solutions are interpreted and followed in an appropriate manner. There is also an opportunity to develop tools for the implementation of the programmes based on the simplification principle. Such efforts will lead to distinct gains in effectiveness and efficiency. Simplification, paired with transparency, should also reduce the risks of gold plating.

There is the opportunity for Interact to continue its leadership role in engaging Interreg actors in expert networks, and to further expand and deepen the relationship with some target groups. For example, with the Interreg programmes, Interreg-IPA CBC programmes and Interreg NEXT programmes all sharing the same regulatory framework, Interact will have a stronger role to play in supporting the whole Interreg community, including IPA CBC, NEXT and Outer Most Regions (OMR). It is anticipated that the engagement of Interact with IIG actors will be more pronounced in the new period, as set out in the Intervention logic matrix (Annex X) and in 2.1.4 below. This provides an opportunity for Interact to build new knowledge on the cultural and administrative context of these programmes and to foster closer links with national and programme authorities. There is an opportunity in strengthening the engagement with MRS and SBS in the future, which is also part of the strategic decision for the programme. Such expanded target group base implies that tools and services developed by Interact will have an effect beyond the Interreg community.

This will require a well-defined scope for engagement with different actors, coupled with a proper understanding of their needs, in order to provide bespoke and relevant services. This should also inspire an opportunity to be more focused on seeking to achieve the maximum benefit from Interact's interventions. Developing and delivering more integrated services, making greater use of online learning, and promoting digitalisation can lead to resource savings for the target groups. In some cases, this could mean bringing the programmes even closer since many have different limitations (e.g. staff, time, ability to travel, etc.) and thus are disadvantaged in using Interact's services.

Sustained engagement and leadership of various expert networks can have a far-reaching effect. Experience in the period 2014-2020 showed that bringing actors together, unifying their views and opinions and channelling these to the right institutions/fora, at the right time, can influence decision and policy making. As Interact is more and more recognised as the hub for Interreg discussions, there is a greater opportunity for this role to be strengthened. As the Case-based Impact Evaluation reflected, Interact is often in the position of a change agent as initiatives implemented trigger changes for the whole community.

There are many important opportunities for Interact to develop into a more efficient and leaner organisation. For example, simplification provisions should be also adopted by Interact to ensure greater efficiency of internal processes and procedures. More targeted promotion of Interact's achievements at all stages of programme implementation is needed to increase recognition of the solutions, and of Interact as the author of them. As discussed under weaknesses, such recognition among target groups, and with a particular view of engaging new target groups, should lead to stronger support for the programme and in particular to stronger ownership of the results. While the role of Interact in initiating and promoting cooperation and coordination among actors within and beyond Interreg is key, an important success in the future can be achieved if some networks and processes become more durable. As pointed out by the evaluation, with regards to MRS, this would imply working with stakeholders to ensure self-sustaining nature of the activities in the future.

Threats

Using the experience from the 2014-2020 period, it is necessary to maintain the same principle of coordination within the interregional strand: By establishing a clear division of roles between all the four programmes, programmes' stakeholders remain confident that each programme has its genuine role, adds value, that overlaps are avoided, and synergies are capitalised on throughout the interregional strand.

Discussions between Member States actors during the preparation of the programme have made it clear that Interact's primary focus should not deviate from Interreg actors. The concern is also linked to loss of specific niche for Interact in this case. Interact plans to develop a targeted service portfolio for engagement with IJG programmes based on the experiences gained to date with MRS, Art. 96 and in consultation with the IJG and other relevant stakeholders. While this can be treated as an opportunity for the future, it is necessary that associated risks are identified (depending on the scope of work) and a strategy is set in place on how to alleviate these. For example, the need for new profiles and competences of staff has to be understood. Advice and input from national authorities and Member States will be particularly valuable in this context.

In the 2021-2027 period, proposals for reduced co-financing rate coupled with flat rate on TA reimbursements may lead to lack of resources in Interreg at least in some stages of the programme life-cycle. It can be anticipated that this, in turn, may reduce participation in Interact services (seminars, workshops, networks, etc.), especially those of face-to-face nature. Interact needs to prepare for such scenario and invest more resources in providing alternative solutions to face-to-face meetings. Such a scenario also brings a benefit in helping to reduce the carbon-footprint of Interact activities, and support the Green Deal. Interact's existing platform of online events and tools, enhanced by the experiences of online service

delivery during the COVID-19 pandemic and supported by new skills and technology, means that Interact IV is well placed to offer virtual services to the Interreg community.

Online learning and Interact's online platform have become important tools in this respect. Interact is also analysing its cooperation partners, those who provide complementary services, and those whose service mechanism and target groups bare resemblance to those of Interact. The argument that Interact's products are free of charge should not be taken for granted as other institutions are also developing/have developed knowledge in Interreg. It is reassuring that according to the analysis of programme participation in Interact events in 2020, all programmes have been engaged in the activities. It is however key for Interact to continue to innovate, remain close to its target groups and strive for excellence of service.

Finally, the political context within which Interact operates has also an effect on the programme. Interact cannot be separated from Interreg and political developments that have an effect on Interreg also effect Interact as well. In the 2014-2020 period, both Brexit and the COVID-19 pandemic had a significant impact on the political and economic climate, in addition to COVID-19's traumatic health impact and the tragic loss of life.

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

Reference: Article 17(4)(c)

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
Interreg specific objective "A better cooperation governance"	Enhance institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders	Service delivery	[2 000 per objective] The selection of policy objective is limited to one in case of Interact IV in line with Interreg regulation, focusing on boosting the effectiveness of cohesion policy across the Union in particular in the Interreg programmes, but also beyond. This kind of increased effectiveness is reached by capacity building, particularly by identifying and facilitating the transfer of good practices, providing guidance and expertise in solving implementation bottlenecks, as well as promoting the use of innovative approaches, promoting EGTC and strengthening the visibility of Interreg.

2. Priorities [300]

Reference: Article 17(4)(d) and (e)

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

Reference: Article 17(4)(d)

Text field: [300] Service delivery

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

2.1.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance)

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

Reference: Article 17(4)(e)

2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Text field [7000]

Within the Interreg Specific Objective "A better Governance" Interact has identified three perspectives which target the enhancement of institutional capacity of public authorities and stakeholders for effective implementation of Interreg programmes and other cooperation actions. These perspectives seek to: Manage processes and procedures better and more effectively; Work better in a cooperation context; and, Improve the evidence base and visibility of Interreg.

Building on the experience of promoting cooperation and coordination across various implementing stakeholders of MRS, and more recently SBS, Interact intends to continue to support existing territorial frameworks, their actors and their outward orientation whenever they benefit Interreg and promote cooperation as effective policy tool. This includes capacity-building approaches, staff exchange methods, cooperation models and experiences for actors within and outside of Interreg. These actions are embedded in the perspectives identified below.

a) Increasing efficiency: Strengthening the management capacity of Interreg programmes and other cooperation actors

Reducing inefficiencies in the management of Interreg programmes and, through pilots, in cooperation actions as well.

Proposed actions are clustered under three categories:

- Harmonisation of approaches, focusing on interpretation and harmonisation of rules, information flows and procedures for Interreg programmes and other cooperation stakeholders in line with Interact's mandate, including harmonisation pilots for supporting cooperation actions as named above.
- Simplification of approaches, pursued in structures governing the Interreg programmes in rules and procedures for programme and project management and information flows, and through pilot processes in cooperation actions as named above.
- Efficient programme management to support leaner management, clearer delineation of roles and responsibilities, better internal communication, and transparency of flows.

Within these three categories Interreg programmes will be the main target group, while the support to cooperation actions will be implemented based on pilot projects.

Actions should seek to alleviate bottlenecks in Interreg and promote gains from optimising the management of the programmes. Some will lead to budget savings, others to reduction of bureaucracy and will target a shift from administration to quality. This will require effective engagement with the target groups. Under this perspective, the focus is not on the individual but on collaboration between programmes and specific programme management functions to support system change. It is about mobilising and facilitating networks of experts to engage practitioners, legislators and decision-makers alike in resolving the identified bottlenecks. For example, by developing joint tools for programme and project management. In specific cases, networks will be complemented by targeted events, which specifically seek to exchange, inspire and disseminate best practice and tools, as well as on-demand advisories for specific programmes for targeted support on specific implementation issues.

b) Enabling individuals: Strengthening the capacity to work in cooperation programmes and context

Enabling actors involved in the management and implementation of Interreg programmes and, through pilots, in cooperation actions to cooperate, and to steer the programmes/actions and the human resources in an improved, more inspired or visionary way.

Proposed actions are clustered under three categories:

- Institutional knowledge and competence to support learning and development of those working in the Interreg programmes and in cooperation context at large. It seeks to develop the skills to better manage the implementation of programmes and projects, and to strengthen skills and expertise to find new ways of managing cooperation between programmes/funding instruments.
- Strengthen cooperation and coordination skills among Interreg programme actors (including EGTC actors) and of those actors involved in the management and implementation of territorial governance frameworks and initiatives such as MRS and SBS. Pilot actions will also target the IIG goal.
- Innovative approaches, to support actions that promote innovative tools and methods in a cooperation context and for cooperation purposes.

The starting point is to strengthen the skills of the individual professionals who compose organisations. The focus is on development and empowerment of individuals to do their job better or work in a different way, use innovativeness and creativity not only in the context of Interreg but in other cooperation frameworks and actions as well. By that, shifts in organisational/institutional culture are targeted as well. In order to achieve this, activities that support training and experimentation are required, Interact will also need to develop tools to support this. Trainings, both in person and online, will address the particular needs of individual professionals, as well as across functions for continuous learning and development. Targeted working groups and peer-to-peer actions will test and elaborate new methods, tools, and approaches in cooperation context and programmes.

c) Interreg visibility: Strengthening the capacity to capture and communicate programme results and to increase visibility

Increasing the evidence base of Interreg results and making Interreg achievements and the cooperation process more visible to all target groups, including citizens and decision makers.

Proposed actions are clustered under three categories:

- Building and gathering thematic knowledge and result awareness, aggregation and analysis of Interreg results, and promote coordination and capitalisation as a mainstream management process in programmes.
- Communication of results, where integration of communication in the programme life-cycle, communication and promotion of results and building knowledge of what to promote and to whom are sought.

- Visibility of Interreg, where promoting strategic communication, deploying joint initiatives to reach out to relevant actors, overall visibility of Interreg in relevant fora, and the conceptualisation of cooperation processes are sought.

The actions identified take as a starting point Interreg as a whole. The focus is not on an individual, a body, a function or an organisation but on the instrument as a whole. This requires activities that reinforce the aim. Raising the overall profile and visibility through performing targeted analysis, leading thematic networks to deepen the understanding of results and the added value of Interreg in the bigger picture of cohesion policy, are at the core. Targeted stakeholder outreach through conferences, web tools, promotion campaigns and other solutions supporting visibility, and empowering capitalisation and strategic communication as integrated functions through seminars and workshops are promoted.

For INTERACT and ESPON programmes:

Reference Article 17(9)(c)(i)

Definition of single beneficiary or a limited list of beneficiaries and the granting procedure (Art. 17(9)(c)(i))

Text field [7000]

The extensive knowledge and expertise gained by Interact since its inception is its foremost asset and key to its successes. To keep this knowledge, Interact beneficiaries shall be kept and enhanced. No additional operations and beneficiaries shall be selected, in the meaning of the Regulation i.e. recipients of grants. Interact IV will continue with a limited set of beneficiaries. Exclusively the four decentralised beneficiaries identified for the previous Interact III programme. The permanent Interact Offices with their seats in Turku, Valencia, Viborg and Vienna will implement the programme's service delivery, involving all target groups. All four offices have been part of Interact almost from its launch and have proven over the years that they have the capacity to deliver high quality services and that they can quickly adapt to face new challenges. Interact IV will not select and implement projects in its usual Interreg meaning, instead all activities shall be run by these offices. These activities shall be set in an annual work plan, which is based on the needs of the target groups, and this plan shall be approved and monitored by the Interact Monitoring Committee. Therefore, Interact beneficiaries may be defined as those public institutions, which are entrusted by Member States to implement the whole programme, through activities carried out by their four regional offices, in respect of the management functions of the Interact Managing Authority. The joint human resources policy among Interact Offices shall also be focused on keeping and developing knowledge and skills as its foremost asset.

2.1.3 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
Service delivery	Institutional capacity of public authorities	RCO81	Participations in joint actions across borders	Number of participants	4,590	17,850
Service delivery	Institutional capacity of public authorities	RCO85	Participations in joint training schemes	Number of participants	612	2,380
Service delivery	Institutional capacity of public authorities	RCO116	Jointly developed solutions	Number of solutions	90	350

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Service delivery	Institutional capacity of public authorities	RCR81	Completion of joint training schemes	Number of certificates of completion	0	2020	2,009	Interact IV monitoring tools (database)	
Service delivery	Institutional capacity of public authorities	Interact specific indicator	Institutions using knowledge/skills acquired through Interact services	Percentage (%) of institutions	0	2020	70%	Survey	
Service delivery	Institutional capacity of public authorities	Interact specific indicator	Institutions using solutions developed through Interact services	Percentage (%) of institutions	0	2020	70%	Survey	

2.1.4 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

Text field [7000]

While Interact has been serving the Interreg community since the 2000-2006 period, the 2014-2020 iteration (Interact III) introduced new wider target groups to the programme. This was a natural development as the strategic involvement of Interact engaged the programme with the new target groups, having the thematic scope or the stakeholders beyond Interreg. The strategic involvement of these stakeholders has been important, sharing a bigger picture of European cooperation, and again it will continue to be crucial to Interact and Interreg's success in the future.

One good example of this is Interact's work on the preparation for the 2021-2027 period, when Interact brought Interreg programmes, Member States, the Commission and other relevant stakeholders together for the 'better future' of European cooperation. However, there are numerous other examples, where the development and evolution of Interact's relationships with the new stakeholder groups have produced positive results.

Interact will continue to focus on the service delivery for its main target audience – Interreg programme bodies – in the 2021-2027 period. Strong links, trust and commitment has been built during the previous programming periods. As the Interreg family will be extended to include the Interreg NEXT programmes, it is anticipated that these programmes will more intensively seek to join Interact's services. Interact starts the 2021-2027 period with an already expanded core target audience, the wider Interreg community. At the same time, Interact is ahead of new ambitions and challenges, the draft CPR calls for Interact to support cooperation in wider terms, including the IJG actors under Interact's service portfolio, in explicitly and carefully selected targeted activities.

In general, the target groups considered in Interact's context as the most relevant actors that either will receive the Interact service, or be engaged by Interact, being part of the change agents' community. Therefore, in addition of being the recipient of the service, there are also two other relevant roles for the target groups, having the role of influencers or ambassadors. The target groups naturally reflect the nature and context of what Interact plans to deliver within its service portfolio during 2021-2027 period.

Interact IV programme proposes three perspectives for 2021-2017 service delivery, focusing on:

- Perspective 1 – Increasing efficiency: Strengthening the management capacity of Interreg programmes and other cooperation actors

- Perspective 2 – Enabling individuals: Strengthening the capacity of Interreg programmes and other cooperation actors to work in cooperation programmes and context
- Perspective 3 – Interreg visibility: Strengthening the capacity of Interreg programmes to capture and communicate programme results and to increase visibility

Involvement of the target groups in the future service delivery is reflected against the three perspectives (in 2.1.2 above). Some target groups will be heavily involved in all three perspectives, having different roles (receiver, influencer, ambassador of service). On the other hand, some of the target groups may have limited or no involvement in certain perspectives. The list below is the generic overview. For the more specific relationship between Interact IV perspectives and the target groups, please see the Interact IV Intervention logic matrix.

Interact IV will engage with and involve the three main stakeholder groups:

- a) Interreg programme bodies (Interreg, Interreg-IPA CBC, Interreg NEXT); with their specific role as the receiver of Interact service delivery, as sparring partners within the exchange of experiences, and linked to strategic policy results. This target group covers more explicitly:
 - Managing Authorities
 - Joint Secretariats
 - National controllers
 - Bodies responsible for Accounting function
 - Audit Authorities
 - Representatives of Monitoring Committees
- b) National/ regional co-operation stakeholders, with the same specific role as the group above (receiver of Interact service delivery, as sparring partners within the exchange of experiences, linked to strategic policy results). This target group covers more specifically:
 - IJG actors (national and regional programmes)
 - National/Regional Coordination bodies, National contact persons/points
 - Macro-regional/Sea basin strategies' actors and other actors involved in cooperation instruments
 - European Grouping of Territorial Co-operation (EGTC)
 - Key cooperation partners on specific themes, CLLDs, ITIs

c) Wider policy actors, with specific roles as strategic ambassadors, providers of policy interpretations and partners in strategic change. More specific examples of some of these actors will include:

- European Commission, in particular DG REGIO and other units (e.g. Audit, Evaluation, Better Implementation)
- European Commission, other DGs
- Committee of the Regions
- Other EU institutions
- European-wide associations, cross-border organisations
- EU-wide financing institutions and programmes, EU-wide financial engineering stakeholders
- Interreg project partners, EGTCs managing projects
- Target groups of cooperation promotion (e.g. local authorities, citizens, wider public, media, universities)

Target group involvement will be reviewed, and where necessary further specified in accordance with emerging needs of Interreg programmes.

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

Reference: Article 17(4)(e)(iv)

Text field [7000]

Not relevant for Interact

2.1.6 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

Text field [7000]

Not relevant for Interact

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

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field

Priority no	Fund	Specific objective	Code	Amount (EUR)
1-Service delivery	ERDF	Enhance institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders	135 ¹	45,000,000

Table 5: Dimension 2 – form of financing

Priority No	Fund	Specific objective	Code	Amount (EUR)
1 – Service delivery	ERDF	Enhance institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders	01 – Grant	45,000,000

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1 – Service delivery	ERDF	Enhance institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders	48 – No territorial targeting	45,000,000

¹ 135 Enhancing institutional capacity of public authorities and stakeholders to implement territorial cooperation projects and initiatives in a cross-border, transnational, maritime and interregional context

3. Financing plan

Reference: Article 17(4)(g)

3.1 Financial appropriations by year

Reference: Article 17(4)(g)(i), Article 17(5)(a)-(d)

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
ERDF (territorial cooperation goal)	6,053,038	6,147,099	6,297,581	6,423,532	6,552,003	6,683,043	6,816,704	45,000,000
IPA III CBC ²								
Neighbourhood CBC ³								
IPA III ⁴								
NDICI ⁵								
OCTP ⁶								
Interreg Funds ⁷								
Total	6,053,038	6,147,099	6,297,581	6,423,532	6,552,003	6,683,043	6,816,704	45,000,000

3.2 Total financial appropriations by fund and national co-financing

Reference: Article 17(4)(g)(ii), Article 17(5)(a)-(d)

² Interreg A, external cross-border cooperation

³ Interreg A, external cross-border cooperation

⁴ Interreg B and C

⁵ Interreg B and C

⁶ Interreg C and D

⁷ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C

Table 8

PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
						National public (c)	National private (d)			
	Priority 1	ERDF	45,000,000	45,000,000	11,250,000	11,250,000	0	56,250,000	80%	162 800
		IPA III CBC ⁸								
		Neighbourhood CBC ⁹								
		IPA III ¹⁰								
		NDICI ¹¹								
		OCTP Greenland ¹²								
		OCTP ¹³								
		Interreg Funds ¹⁴								
	Total	All funds	45,000,000	45,000,000	11,250,000	11,250,000	0	56,250,000	80%	162 800

⁸ Interreg A, external cross-border cooperation

⁹ Interreg A, external cross-border cooperation

¹⁰ Interreg B and C

¹¹ Interreg B and C

¹² Interreg B and C

¹³ Interreg C and D

¹⁴ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C

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

Reference: Article 17(4)(h)

Text field [10 000]

The identification of the relevant stakeholders is in the hands of Interact's MA, in consultation with the countries participating in the programme. Building the partnership between Interact and the participating countries is based on the programme priorities and territorial specificities, and in turn, this helps to define the specific needs of programmes from Interact IV. The organisations included should either be able to contribute to the programme during preparation and implementation or Interact will potentially have an impact on them.

From these guidelines, Interact established the following three guiding principles:

1. Relevance of the potential partners for the overarching programme objective, i.e. the Interreg-specific objective 'A better cooperation governance',
2. Territorial specificities and
3. Proportionality of the approach.

In a programme like Interact IV, where no projects in the usual Interreg sense are financed, and services are offered to the Interreg community and beyond, the majority of the members of our partnership are the target groups of our services (see section 2.1.4).

Relevance of partners in view of the programme objective

Interact IV focusses on the Interreg-specific objective 'A better cooperation governance' and therefore, the type of partners will be institutions such as public authorities and administration.

Bearing this in mind, the members of the partnership should be the authorities in charge of the management, implementation and control of Interreg programmes. In addition, the external cooperation programmes and in specific cases also IJG programmes could also be members of the partnership.

Specific entities to be involved include programme Managing Authorities, Joint Secretariats, management and verification bodies, audit bodies, national representatives, and indirectly project beneficiaries. This includes also specific cooperation stakeholders and actors such as

the coordinators of the macro-regional and sea-basin strategies, the European Commission, the European Parliament, the Committee of the Regions, EGTCs and others.

In addition, to cover the training part of the programme, Interact creates linkages with similar bodies established in Europe (such as CPMR, MOT, AEBR, TESIM, CBIB+).

Territorial specificities

Interact IV is a programme for the entire EU and the associated, candidate and neighbouring countries. In more detail, Interact IV covers the EU plus Norway and Switzerland as the financing countries. Interact IV also offers services also for EU external cooperation programmes based on pre-identified needs, such as Interreg-IPA CBC, Interreg NEXT, and OMR programmes. Interact IV will seek to involve relevant partners from involved non-Member States, where they are directly relevant for the implementation of Interreg programmes.

Proportionality of the approach

The application of this principle to Interact IV is sought to help to reduce the number of potential partners in proportion to the programme size and its funding volume. In defining a proportionate approach, the balance between allowing a diversity of representation, and in ensuring an engaged and effective structure needs to be found.

In the preparation and implementation phases, Interact IV will seek to maintain a large number of partners involved. However, given the programme covers all EU Member States as well as many neighbouring countries, participation in the monitoring committee meetings shall be limited to the representation of umbrella organisations at EU level. This follows the Commission Delegated Regulation (EU) No 240/2014 (European code of conduct on partnership in the framework of the ESIF; cf. Article 10.2). As such, responsibility will lie with the Member States to support the implementation of the partnership principle through the prior involvement of other relevant partners in the preparation of the committees.

Actions taken to facilitate a wide involvement and active participation of the partners in the preparation of the programme

Interact conducted a public consultation in November 2020. In particular, Interact sought to understand if there were any errors, issues or omissions in the framing of the programming document. Following numerous communication actions to ensure the consultation was well published, individuals and organisations had the opportunity to comment on the draft programme in a three-week window. Comments could be made through an online event in which participants were presented the key perspectives of Interact IV, or through a survey hosted on the Interact platform. The responses received through this platform have been carefully reviewed by Interact. The feedback has been considered alongside comments from

the Programming Committee, which both highlighted specific concerns in the work towards wider cooperation actors. The new Intervention logic matrix has further clarified the focus of Interact's work and responds to the main concerns raised. Other comments, largely on items not to be resolved in the programming document, have been retained for future consideration.

Partner involvement during implementation

Interact aims to take on board the partners' opinion in the implementation and evaluation of Interact IV. Therefore, their feedback will be included in the various proposals to be discussed when planning and assessing Interact activities, and also when the programme will be evaluated.

In case an Interreg programme or another stakeholder would like to input to the work of the Monitoring Committee (MC) discussions, the partner should contact the National Contact Point/Person (NCP), the relevant MC member or the MA, who will collect and compile the inputs from the respective territories or stakeholder(s). This supports the proportionality approach as set out above.

The needs of the Interreg community shall be regularly assessed through methods such as a needs assessment surveys, feedback collected during events, and the numerous daily contacts with programme people. All partners will be given the opportunity to participate in the annual needs assessment to support the development of targeted services. The needs assessment is a regular element of the annual work planning which is approved and monitored by the MC. Finally, partners will be considered for the participation in the evaluation process (via targeted surveys).

Next to these options to have a say in the Interact IV delivery system the members of the Interact MC often represent institutions, units or offices in charge of the coordination of the Interreg community in their respective country. Thus these persons are well aware of the specific needs and practices.

In order to safeguard transparency related to decision-making the MA will publish a summary of the relevant decisions of the MC meetings.

Regional approach

Bearing in mind the ambitions set in the three perspectives described in section 2.1.2, a close and more personal relationship with our key target groups will form a crucial role in ensuring Interact achieves the intended successes. With this in mind, Interact will seek to strengthen its regional approach without breaking the overarching inclusive approach.

Working with programme procedures and in general management structures with the view of making them more efficient and effective requires a good understanding of these processes in

their local context. This local context may define a boundary to which harmonisation stops being possible, and good knowledge will help Interact understand the real boundaries to which harmonisation and simplification can be applied in specific contexts.

Additionally, encouraging cooperation and coordination between Interreg and IJG actors will require a strong regional and even national perspective. It is always done in of context territorial and/or policy framework (e.g. given policy objectives, Smart Specialisation Strategies, etc.). Knowing these frameworks and following their developments will help to identify the synergies, and the greatest potential for cooperation that can benefit the Interreg community.

In line with the place-based approach, most of the programme results will have a local/regional impact and context. Understanding this regional diversity should help understand the results better and thus identify good communication material.

Therefore, we believe that a regional approach, as used in Interact III, can also be used to a large extent in Interact IV.

Where appropriate, the programme could further strengthen its coordination with NCPs and national authorities in view of a more effective integration and harmonisation of capacity building and coordination initiatives carried out at interregional and national level. The NCPs may also be supported with specific tools (e.g. based on simplified cost options) or expertise etc., to more effectively address the new target group of mainstream programmes. Improved communication and knowledge sharing from and to these groups could also enable specific regional/national good practices to be identified and shared with other regions. Such an approach could also make it easier to evaluate how Interact covers specific area needs and support the involvement of all areas of Europe.

Principles

While working with regional/national networks, following principles shall be applied by the Interact Offices:

- Balance effort/cost/benefit

As Interact resources are limited, provided services devoted only to a certain region, Member State or number of programmes only when this is the best method of providing the service for the needs identified for these stakeholders. A balance between regional approach and exchange across EU areas will be kept when planning activities addressed to specific areas. Programme managers of a regional area should have the possibility to meet and exchange practices with programmes of other areas to promote cross-fertilisation.

- Language and backgrounds balance

In the Interact team profile, the balance of different languages and administrative backgrounds across offices is overall assured. Nonetheless, it is not possible that Interact teams cover all languages in all thematic expertise fields. The official programme language is English, and services shall be provided in English language. Specific ad-hoc regional/national advisories in national languages are still possible, in cooperation with National Contact Points, within the limits of resources and specific knowledge available in Interact.

- Build up regional knowledge

Interact Offices build up knowledge of the programmes and national networks in the area that is also useful in the horizontal services.

- Open networks approach

A knowledge network is necessarily open, because in principle there is very limited knowledge creation/sharing in closed circles of persons. The regional and national networks shall also benefit from Europe-wide knowledge provided either by Interact or externally. Thus, as a principle, any geographically focused service will include examples from outside the geography as well. Participation in network meetings shall be kept open as a general rule, in order to allow for real knowledge exchange.

- Interest-based work

The basic principle to make regional networks work well, is that they have an actual need and interest in work together and exchanging. Therefore, the key of success is entirely based on the topics, to be agreed by both Interact and the networks members, taking into account the needs and interest of more and less experienced Interreg staff.

Geographical coverage

Taking into consideration the above mentioned approach and principles, Interact shall assure that all participating countries and programmes will benefit from their involvement in Interact IV Programme.

Additionally:

- Analysis of programmes participation shall include the territorial aspects;
- Evaluation plan will include regional analysis and measures;

- Communication plans will include an analysis and specific measures for the regions/countries (e.g. the ones not sufficiently involved, participating or using Interact services).
5. **Approach to communication and visibility for the Interreg programme (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)**

Reference: Article 17(4)(i)

Text field [4 500]

Interact offers specialist services to stakeholders, including other programmes. This chapter sets out how Interact will approach its communication and visibility actions, in order to ensure the effectiveness of its work, and the work of the target audiences.

Objectives

The principle focus of the communication objectives are to complement the delivery of the programme's overall objective, as well as the identified specific objectives.

In order to do this, Communication objectives shall be set in order to:

1. Promote Interact and the use of key tools and services that support cooperation.
2. Support the wider dissemination of best practice and knowledge amongst target audiences.
3. Demonstrate that 'Cooperation Works!';
 - a) through the achievements of Interact.
 - b) through the collated achievements of Interreg.
 - c) through sharing knowledge with other cooperation actors.

The focus of communication shall vary throughout the period, and shall be regularly reviewed. At the start of the period, supporting relationship building with new audiences, as well as ensuring the dissemination of shared interpretations of new cooperation rules will be among the priorities.

Target audiences

Interact's target audiences are set out above (2.1.4). Interact's primary target audiences already work in cooperation, but may not be aware of all the resources and tools that can

support them. A key specific focus in the next period shall be to ensure Interact reaches out beyond existing relationships, particularly where new audiences are to be engaged.

Interact communication shall also prioritise working with wider policy actors, to further develop partnerships and create Interact ambassadors. These ambassadors will need up to date knowledge and information on solutions developed by Interact, in order to share relevant work with third parties.

Interact shall have regard for the opportunity to use the aggregated achievements of Interreg programmes to promote pan-European cooperation towards citizens, and to support programmes in more effectively reaching their target audiences. Through these activities, Interact shall support the communication of Interreg towards European citizens.

Communication channels

Interact shall maintain a website, which will be the primary source of information and resources for Interact's target audiences. Interact shall also maintain an exchange platform, with easy access from the website, which enables peer-to-peer exchange.

In promoting Interact's work, effective electronic communication tools shall be used. Maintaining an up to date contact database will provide an effective tool to reach key audiences via regular email newsletters. In addition, other electronic communication tools will be utilised.

While the primary focus of Interact efforts shall be electronic, reflecting the professional audience, key items may be printed. In particular, for large scale EU events, which offer opportunities for networking and to raise the awareness of Interact, and Interreg.

Social media outreach

Interact has built an effective presence on Twitter, Facebook and LinkedIn. While the audiences on the three platforms vary, all three tools offer effective outreach for the programme. Interact will continue to monitor other social media platforms to understand where there are effective opportunities to reach out on a professional basis to target audiences.

In addition to Interact's own accounts, other accounts managed by Interact that focus on promoting all Interreg activities shall continue.

Planned budget

Interact shall plan to spend at least 0.5% of the programmes total budget on communication, subject to final budgetary agreements. This shall ensure the provision of an effective programme website, branded templates for materials and promotional materials, as well as other printed and digital materials to support the work of the programme.

Monitoring and evaluation

The role of communication in supporting the programmes overall objectives shall be carefully considered. While many promotional aspects will not be included in the programme's formal indicators, the role of communication in connecting the right person with the relevant solutions will need to be considered.

Tools such as social media statistics and website analytics will provide insights into the effectiveness of communication generally, and more specific evaluations will take place as part of Interact's monitoring and evaluation work.

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

Reference: Article 17(4)(new j), Article 24

Text field [7 000]

Not relevant for Interact.

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(7)(a)

Table 10

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	Bratislava Self Governing Region / Interact department		
National authority (for programmes with participating third countries, if appropriate)	N/A		
Audit authority	Ministry of Finance of the Slovak Republic / Section of audit and control		
Group of auditors representatives	N/A		
Body to which the payments are to be made by the Commission	Ministry of Investments, Regional Development and Informatization of the Slovak Republic		

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b)

Text field [3 500]

The MA will be assisted by a small joint secretariat (Interact Secretariat, IS) and will contract the decentralised implementing bodies, henceforth called the Interact Offices, which actually deliver the programme to the target groups.

Strong collaboration will be ensured between the Managing Authority, the Interact Secretariat and the Interact Offices concerning the joint elaboration and the implementation of annual and multi-annual work plans.

Due to the nature of the programme, Interact IV will not implement projects within the usual Interreg sense, instead a limited set of beneficiaries throughout the whole implementation of the programme and as such, there is no need to provide information to beneficiaries.

Accordingly, the small secretariat unit, set up within the MA, in the organisational structure of the Bratislava Self Governing Region, shall mainly assist the MA and the MC in carrying out their respective functions, fulfilling both coordination (under Priority 1) and technical management functions and primarily being responsible for the below tasks:

- Setting up the framework of service delivery: elaborating and further developing programme-level procedures and related templates (e.g. related to annual work planning) and key documents (e.g. the strategic multiannual document and internal guidance);
- Coordinating the actual implementation of programme-level processes, including facilitating the annual work planning exercise, compiling on the basis of Interact Offices' inputs the annual work plans, as well as organising and following up coordination meetings, etc.;
- Collecting and compiling inputs of Interact Offices into programme-level documents;
- Contributing to the content and financial monitoring tasks under the responsibility of the MA;
- Contributing to and fulfilling programme-level reporting obligations;
- Providing (setting up, maintaining and further developing) the joint IT infrastructure of the programme, including the programme monitoring system, online collaborative work platform, etc.

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

Reference: Article 17(7)(c)

Text field [10 500]

For Interact IV, beneficiaries are understood as the hosting institutions of the Member States hosting Interact Secretariat and Interact Offices. The beneficiaries are liable for any irregularity they may have caused. Any unduly paid amounts are recovered from the specific beneficiary by the Managing Authority.

If the Managing Authority does not succeed in securing repayment from one of the beneficiaries, the Member State, on whose territory the beneficiary concerned is located, shall reimburse the Managing Authority any amounts unduly paid to that beneficiary. Each participating Member State hosting the specific beneficiary, by signing Interreg regulation Article 16(5) agreement explicitly agrees to have this subsidiary liability and to timely pay back any unduly paid amount to the account of the programme. The Managing Authority is responsible for reimbursing the amounts concerned to the general budget of the Union. Any such occurrences and measures will be timely discussed and agreed upon in the first subsequent meeting of the Monitoring Committee.

When any relevant authority of the Member State detects an irregularity, it will timely inform the Managing Authority and the Audit Authority.

In case of suspension of payments by the European Commission, due to errors, irregularities or even external factors, such as cash flow gaps at European level, the Managing Authority shall inform the beneficiaries and the MC about the suspension and the reasons for it immediately after being notified.

With this information the Managing Authority shall also convene all bodies directly affected by the suspension, in particular the beneficiaries, in order to develop a plan to address the causes of the suspension, in line with the indications provided by the European Commission. The Monitoring Committee shall be informed in all steps, in particular on the measures agreed with the European Commission, on the progresses and on the consequences of the suspension in the service delivery by Interact.

The Managing Authority shall ensure that any amount paid as a result of an irregularity is recovered from the beneficiary. For Interact IV, beneficiaries are understood as the hosting institutions of the Member States hosting Interact Secretariat and Interact Offices.

Even though Member States not hosting an Interact body will not be beneficiary of programme funding, they will share the benefit from programme services. In accordance with point 7(c) of Article 17 of the Interreg Regulation, the programme shall set out apportionment of liabilities among the participating Member States and, where applicable, third partner countries or OCTs, in the event of financial corrections imposed by the Managing Authority or the Commission.

For Interact IV, all Member States have therefore agreed to sharing liability in proportion to their share of co-financing, but not exceeding the amount of their respective national contribution, in case of flat rate corrections, caused by decisions made by the programme Monitoring Committee. Programme bodies and/or beneficiaries and/or hosting Member States are liable for irregularities, including those ones having a systemic nature, they caused.

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

Reference: Articles 88 and 89 CPR

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

Intended use of Articles 88 and 89	YES	NO
From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 88 CPR (if yes, fill in Appendix 1)		NO
From the adoption programme will make use of financing not linked to costs according to Article 89 CPR (if yes, fill in Appendix 2)		NO

APPENDICES – Not applicable for Interact

- Map of the programme area
- Union contribution based on unit costs, lump sums and flat rates
- Union contribution based on Financing not linked to cost

Appendix 1: Map of the programme area

Appendix 2: Union contribution based on unit costs, lump sums and flat rates

Appendix 3 Union contribution based on financing not linked to costs

Appendix 3a: List of planned operations of strategic importance with a timetable

Reimbursement of eligible expenditure from the Commission to the Member State based on unit costs, lump sums and flat rates Union contribution based on unit costs, lump sums and flat rates

Appendix 2: Union contribution based on unit costs, lump sums and flat rates

Template for submitting data for the consideration of the Commission

(Article 88 CPR)

Date of submitting the proposal	
Current version	

A. Summary of the main elements

Priority	Fund	Estimated proportion of the total financial allocation within the priority to which the SCO will be applied in % (estimate)	Type(s) of operation		Corresponding indicator name(s)		Unit of measurement for the indicator	Type of SCO (standard scale of unit costs, lump sums or flat rates)	Corresponding standard scales of unit costs, lump sums or flat rates
			Code	Description	Code	Description			

B. Details by type of operation (to be completed for every type of operation)

Did the Managing Authority receive support from an external company to set out the simplified costs below?

If so, please specify which external company: Yes/No – Name of external company

Types of operation:

1.1. Description of the operation type	
1.2 Specific objective(s) concerned	
1.3 Indicator name ¹⁵	
1.4. Unit of measurement for indicator	
1.5 Standard scale of unit cost, lump sum or flat rate	
1.6 Amount	
1.7 Categories of costs covered by unit cost, lump sum or flat rate	
1.8 Do these categories of costs cover all eligible expenditure for the operation? (Y/N)	
1.9 Adjustment(s) method	
1.10 Verification of the achievement of the unit of measurement - describe what document(s) will be used to verify the achievement of the unit of measurement - describe what will be checked during management verifications (including on-the-spot), and by whom - describe what the arrangements are to collect and store the data/documents	
1.11 Possible perverse incentives or problems caused by this indicator, how they could be mitigated, and the estimated level of risk	
1.12 Total amount (national and EU) expected to be reimbursed	

¹⁵ Several complementary indicators (for instance one output indicator and one result indicator) are possible for one type of operation. In these cases, fields 1.3 to 1.11 should be filled in for each indicator.

C: Calculation of the standard scale of unit costs, lump sums or flat rates

1. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data; where the data are stored; cut-off dates; validation, etc.):

2. Please specify why the proposed method and calculation is relevant to the type of operation:

3. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and attached to this annex in a format that is usable by the Commission.

4. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate;

5. Assessment of the audit authority(ies) of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data:

* Justifications on the underlying data, the calculation methodology and resulting rate or amount and related assessment by the audit authority [(in points 1, 3 and 5)] are not required when the simplified cost options submitted in this Appendix are established at Union level [(other policies or through the DA referred to in Article 88(4)].

Appendix 3: Union contribution based on financing not linked to costs

Template for submitting data for the consideration of the Commission

(Article 89 CPR)

Date of submitting the proposal	
Current version	

A. Summary of the main elements

Priority	Fund	<i>The amount covered by the financing not linked to costs</i>	Type(s) of operation	Conditions to be fulfilled/results to be achieved	Corresponding indicator name(s)		Unit of measurement for the indicator	Envisaged reimbursement to the beneficiaries
					Code	Description		
The overall amount covered								

B. Details by type of operation (to be completed for every type of operation)

Types of operation:

1.1. Description of the operation type			
1.2 Specific objective(s) concerned			
1.3 Conditions to be fulfilled or results to be achieved			
1.4 Deadline for fulfilment of conditions or results to be achieved			
1.5 Indicator definition for deliverables			
1.6 Unit of measurement for indicator for deliverables			
1.7 Intermediate deliverables (if applicable) triggering reimbursement by the Commission with schedule for reimbursements	Intermediate deliverables	Date	Amounts
1.8 Total amount (including EU and national funding)			
1.9 Adjustment(s) method			
1.10 Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables) - describe what document(s) will be used to verify the achievement of the result or condition - describe what will be checked during management verifications (including on-the-spot), and by whom - describe what arrangements there are to collect and store the data/documents			
1.10a Does the grant provided by Member State to beneficiaries take the form of financing not linked to costs? [Y/N] ¹⁶			
1.11 Arrangements to ensure the audit trail Please list the body(ies) responsible for these arrangements.			

New Appendix 3a

Appendix 3a: List of planned operations of strategic importance with a timetable - Article 17(4)

Text field [2 000]

The Interact IV Programming Committee is kindly requested to

- a) Provisionally approve the fourth draft of the Interact IV 2021-2027 Interreg programme, subject to the adoption of the future Interreg regulation and the European Commission decision on the financial allocation of the Programme.

Once the above elements are in place, the Programming Committee will be requested to reconfirm the programme document.

