2021-2027 – 4th Interreg Europe Monitoring Committee meeting

12 and 13 December 2023

Chaired by: Spain (ES)

Participants: See participants' List (annex 01)

Decision notes: Interreg Europe JS

01. Welcome, opening and approval of the agenda

The Chair welcomed all participants, especially the new Partner State representatives, and presented the agenda (annex 02). Two points were added to AOB:
NL added a point on the Portal.
JS added a point on post-2027 discussion.
New MC participants from **ES** (Chair) and the new PS (**BA, MD, ME, MK, RS** and **UA**) introduced themselves. All new PS except **AL** joined the meeting, with **BA, RS** and **UA** present on the spot and **ME, MK** and **MD** attending online.

Decision:
The updated agenda was approved unanimously.

02. Programme enlargement – state of play

JS updated the MC on the state of play of the programme enlargement (annex 03).

Discussion:

MA welcomed the new Partner States as observers to the MC and informed that the NDICI funding of MEUR 5 is secured. However, the IPA funding of MEUR 10 has still not been validated by DG NEAR. Therefore, **MA** has addressed a letter to the Director Generals of DG NEAR and DG REGIO, expressing their concerns and the importance of confirming the financial conditions of the enlargement as soon as possible.

EC announced that the Interreg Europe CP modification had been adopted by the EC and that MD and UA can advance with the financing agreement signature process. **EC** welcomed the new countries to the programme and assured that enlargement is a major priority for the EU and particularly for DG REGIO.

On behalf of the Western Balkan countries, **RS** thanked the MC for the enlargement and expressed disappointment about uncertainty about the availability of IPA funding. **MK** confirmed that the programme information events were already organised in these countries, and it would be impossible to attract beneficiaries without funding. **RS** proposed to prepare a letter from the IPA countries to DG NEAR and DG REGIO. The **Chair** also encourage them to do so and to mobilise their political contacts with DG NEAR. **EC** confirmed that it would not harm if the candidate countries would set out in writing to the EC the importance of joining the programme.

DE inquired about the feedback on the enlargement received from the 1st call LPs and the type of support they require. **JS** answered that 3 projects have already expressed their interest in adding new partners through the

website tool, and that also other lead partners showed interest but were using their own networks for the moment. 4 information days were organised so far by the new PS with general presentation from JS and questions & answers session. Further support needs will be discussed during the PoC meeting.

Based on experiences with previous enlargements in the Interreg Europe programme **LU** expressed their positive expectations for this new programme enlargement and welcomed again the new countries. **IT** also suggested they exploit the possibilities offered by Interact Academy courses.

Following the request of **SK, EC** indicated that the decision number is (2023)8860, and the document was under translation. The EC decision and the updated version of the programme is available as annex 04.

03. Update on Policy Learning Platform: Insight into the peer review service

JS presented an update on the Policy Learning Platform (PLP) and gave an insight into the peer review service (annex 05).

Discussion:

CY, EE and **DE** shared their positive experiences participating in a peer review and suggested that all MC members should consider participating in a peer review to better understand it. **JS** explained that peer reviews are a constant learning process for the programme and confirmed that the recommendation from EE to shorten the programme introduction was taken on board.

After a question from PL, **JS** clarified that peer reviews can also tackle policies that are under preparation.

04. Second call: quality assessment methodology

JS presented the quality assessment methodology (annex 06).

Discussion:

SI, SK and **ES** asked for advice on how to conduct the check related to the Member States infringement of EU law. **SI** stated they were in no position to assess the relevance of this issue at national level since it is difficult to establish a clear link. **EC** explained this is a responsibility of the **PS** but that they could not provide a clearer or more satisfactory answer on this. EC understood the difficulties faced by the PS.

RO asked about the risk of double funding identified by the risk matrix. **JS** explained that the programme has several measures in place to avoid double funding, including the partner declaration as well as specific checks during the quality assessment and dedicated conditions for approval when needed.

NO asked how it was possible that some applications with almost identical work plans were still recommended. **JS** explained that since the programme's concept of 'exchange of experience' was quite standardised, some experienced applicants tend to replicate certain approaches that worked in the past. **JS** confirmed that this did not necessarily lead to lower scores as long as other parts of the application were adapted to the specific context of each region (e.g. policy instruments).

FI asked clarifications on how the innovative character of a proposal had to be demonstrated. **JS** explained that in practice, it was mostly through the partnership that the innovative character can actually be demonstrated.

RO asked if the partners received the assessment of their proposals and if there was a correlation between the quality of the applications and the implementation of the project. **JS** explained that non approved projects always received the full assessment. This is important in case they want to come back with an improved proposal. **JS** also confirmed that there was often a correlation between the quality of the application and the quality of the implementation. However, this correlation is not systematic since many parameters can play a role in the quality of the implementation (e.g. change of coordinator).

05. Overview of second call results

JS presented the overview of the second call (annex 07)

Discussion:

Following a question from **PL JS** clarified that the amount of committed funds referred to the funds committed <u>before</u> the fulfilment of conditions and possible budget reduction.

FI used the example of the EUMINDA project to ask the programme for more flexibility on the eligibility criteria and for a lighter consideration of clerical mistakes. **JS** confirmed that a new proposal on eligibility would be presented to the **PS** under point 8 of the current MC.

06. Approval of second call projects

Discussion:

MT asked if it would make sense to approve the applications with a final score of 2.80. **JS** did not recommend this approach since, from a technical point of view, those applications did not reach the minimum quality standards required by the programme.

Decision:

No objection to approve the projects scoring 3 and above.

No objection to reject all projects scoring below 3.

Approval (under conditions) of 78 projects recommended.

07. Programme enlargement & 08. Third call application pack - approval

Items 7 & 8 were discussed together to facilitate the step by step decision making.

The JS presented the updated programme documents for the enlargement (including the ToR for the restricted call, the updated subsidy contract and the updated partnership agreement template) and the third call application pack (including the ToR and the updated programme manual version 3) (annex 08).

Discussion:

Programme Manual (annex 09)

JS presented a proposal for introducing more flexibility in the eligibility criteria 2 and 4.

- **LU, DE** said that the new rules for flexibility would contribute to boosting the overall reputation of the programme, to reducing the applicants' frustration whilst preventing any arbitrary decisions.

- **FI** asked which deadline applied for providing the missing declaration. **JS** clarified that the issue would be solved during the fulfilment of conditions phase.

- **PL** asked for clarification if different issues with a declaration (e.g. not signed, not in EN) were considered differently. **JS** confirmed that there would not be any distinction between the types of mistakes.

JS presented the manual updates.

- **UA** confirmed that, following the feedback of relevant stakeholders, there was much interest for the status of discovery partner and for participation in the 1st and 2nd call projects. They also underlined that mixed partnerships reinforced the contribution to the overall cohesion goals.

- **RS, BA** expressed their support to the 'discovery partner' status as it leaved more options to the partnerships to decide on the level of involvement of each organisation according to their experience and capacities. They underlined that despite the experience of their countries with cross border and transnational cooperation programmes (also with participation of organisations as Lead Partners), the interregional cooperation was new. Offering more options of involvement is thus appreciated.

- **SK** raised concerns regarding the overall performance of the programme considering the light status of discovery partners (no policies to be improved). It was proposed to regulate the number of discovery partners. **JS** confirmed the programme performance framework was also updated to take into consideration the enlargement. The new target values were carefully considered to avoid any risk of underperformance. Furthermore, in the programme communication indicators, the aim is to cover 90% of the NUTS2 regions. Therefore, it is also at the programme's interest to facilitate the involvement of more regions from the new candidate countries**.**

- **FI**, **EE** raised questions if the discovery partner status shall give a message of lower expectations for the participation of the new candidate countries. They underlined that new countries had also very experienced organisations and could be encouraged to participate as normal partners. **JS** proposed to clarify in the manual that in principle the participation as 'normal' partner is encouraged and then explain the possibilty of the discovery status.

- **PL, PT** welcomed the idea of the discovery partner status and mentioned that in the future it could be also extended to any newcomer region, with relevant limitations. For the time being, the Policy Learning Platform can offer support for cooperation to any newcomer.

- **LU**, **PT** proposed that instead of introducing a new status, adding complexity to partner categories, maybe just a footnote could be added about the candidate countries not having the obligation to address a policy instrument. **JS** explained that, communication wise, the use of a distinctive status of discovery partner was essential. It is the cleaest approach, avoiding confusion and complexity.

- **PL** informed that the EC issued a communication about the flat rate for travels, requiring proof for at least one travel and wondered if there should be reference in the manual. The EC clarified that this was not a control, but a monitoring requirement and the **JS** confirmed that it will be monitored in the project progress reports. Discussions on Interact level were also still ongoing and the JS would come back to the MC if needed.

- **RO** asked how travel and administration costs could be claimed for partners that could not claim any staff costs due to administrative constraints, in particular for national government organisations. The **JS** confirmed that there was also the option of real costs for travel and further bilateral clarification could be provided on such cases.

- **RO** and **ES** asked clarification regarding the budget of the discovery partner. The **JS** clarified that the discovery partner would have a budget and their project-related costs would be eligible for funding by the programme, like any other partner. However, they may have a lower budget reflecting their involvement in the project (as they would not address a policy instrument, not form a stakeholder group etc.)

- **NO** asked to include in the programme manual that organisations from Norway should contact their national points of contact to have more information on the Norwegian funding. The programme manual was updated accordingly.

- **ES** asked whether cooperation with a third country, outside the Partner States still existed. **JS** confirmed that this was possible as explained in the programme manual.

Restricted call – Terms of reference (annex 10)

JS presented the terms of reference for 1st and 2nd call projects wishing to add partner(s) from EU candidate countries.

DE suggested to wait until the final decision from **EC** concerning IPA funding before publishing the terms of reference ("Restricted call ToR") to avoid any financial risks for the new project partners in case IPA funding would not be available in the end.
The **JS** replied that the objective was rather to inform the lead partners and organisations from the new Partner States as early as possible so they could get prepared. **JS** reassured that nothing would be legally acted before the funding is officially available. The **JS** also considered unlikely that no funding would be provided at all. **JS** maintained the proposal to go on with the preparation as much as for a smooth and timely integration of IPA country partners.
Following a remark from **DE** on point 10.2 of the Restricted call ToR related to the quality assessment of the updated budget, **JS** proposed a slight revision of the text under this point, to ensure that quality assessment points are clear for applicants. **JS** also clarified that the new partners would be integrated in the project through requests for change. Hence, there will be room for discussion and adjustment of the project's proposal in case the application is not entirely clear or justified from the beginning.

PL asked the **JS** to clarify the starting date of eligibility of costs for the beneficiaries coming from the new Partner States. **JS** replied that the eligibility starting date for these new beneficiaries would coincide with the date of initial approval of the projects (under conditions) by the MC as it was easier to have a unique eligibility starting date for the whole partnership. The controllers will check at reporting time that the costs reported are indeed linked to the projects.

Third call application pack – Terms of reference (annex 11)

The **JS** presented the terms of reference of the third call ("Third call ToR").

LU agreed with the Third call ToR and would like to encourage partners from other countries (in particular from smaller countries) to seek to include more **LU** beneficiaries in the next call(s) as only one Luxembourg partner had been successful so far. Potential lead applicants or partners can also count on the **LU** point of contact to assist them with finding **LU** partners.

PL would like a confirmation from the **JS** that a partnership with partners coming from the four geographical areas 'North', 'South', 'East', and 'Candidate countries' (hence without a partner from the 'West' area for example) would be eligible. **JS** confirmed this would be the case.

DE proposed to introduce some flexibility by reducing the requirement to 3 areas instead of 4. **JS** replied that more flexibility on the geographical coverage would lead to a decrease of the applications' quality (and increase of number of applications) as it had been experienced in past programming periods. Moreover, with one area added in the third call (5 areas versus 4 in the past), it is easier for applicants the meet the requirements of 4 areas. Finally, the 5th area could also be represented through a discovery partner which also helps the applicants in fulfilling the programme's requirements. **JS** also confirmed that the absence of partners coming from a new area (such as Switzerland or the new Partner States) would not have any negative impact on the assessment of the application. It is just that the representation of these areas in a partnership is encouraged and will therefore be considered positively (e.g., it could lead in some cases to a score of 4 instead of 3 under criterion 3 'quality of partnership').

RO asked more details on how the innovative character of an application should be understood for the new Partner States. According to **RO**, partners from the new area should be allowed to work on a topic already tackled by a past project as they never got the chance to do so within the programme before. **JS** confirmed this would be the case. The reference to the innovative character was updated in the third call terms of reference mainly to clarify that the mere continuation of past projects is not possible. As it has always been case, there is no issue for different projects to work on similar topics or on topics already addressed in the past as long as different regions are involved.

Update of programme documents: subsidy contract (annex 12) and partnership agreement template (annex 13)

The **JS** presented the updated documents.

RO requested clarification if two subsidy contracts will be signed for the new partnerships or if there will be an amendment. **JS** clarified that for the 2nd call projects the subsidy contract template was updated with the enlargement decision and apply for all projects from the beginning. But for the 1st call projects, only those that will integrate a partner from the new Partner states would have to sign a new subsidy contract.

Decision:

The MC agrees with the proposed:
1. Revised eligibility rules with more flexibility for criteria 2 and 4
2. Third call application pack including the Terms of Reference and the updated Programme manual (version 3) - with **DE** abstaining.
3. Terms of Reference for the restricted call to 1st and 2nd call projects – with **DE** abstaining.
4. Updated subsidy contract (version 2)
5. Updated partnership agreement template (version 2)

09. 2014-2020 ex-post evaluation – state of play
Presentation related to this point available (annex 14).

10. Communication
Presentation related to this point available (annex 15).

11. Risk-matrix update
Presentation related to this point available (annex 16).

12. Finances

JS presented the proposal on the TA budget for 2024 (annex 17). The **JS** also gave a short update on the national contributions and on audit (annex 18).

Discussion:

There were no comments or questions on these points.

Decision:

The MC approved the TA budget for 2024.

13. Timeline

The **JS** presented the timeline and next milestones for the first half of 2024 (annex 19).

Discussion:

DK asked if it was possible to have more information on the agenda for the MC in June 2024. **JS** replied that there would be more visibility on the agenda in the coming weeks. All necessary information will be passed on in due time.

14. Any Other Business

Discussion:

1. **Portal**

NL reported some technical issues with the Portal and wondered if similar issues were faced by other PS. **JS** asked the MC members to contact the IT officer of the JS (Alexandre Hryszkiewicz) in case of technical difficulties. **NL** also shared concerns from municipalities and controllers about uploading sensitive information on the Portal. **NL** has expressed these concerns via email to the JS prior to the meeting. This written exchange reflecting the feedback provided by the JS to NL remarks is included as an annex to the notes (annex 20). **PT** noticed that supporting documents were not sufficiently linked to the concerned expenditure they relate to in the Portal and that the situation could make the work of the controllers lengthy. **JS** explained that partners were strongly encouraged to use tags to clearly name their supporting documents to ease their controller's work. **JS** also highlighted that efforts were made to train partners in this regard and this will continue in the future.

JS is always happy to receive comments to improve the Portal and encouraged Partner States to channel their comments towards the JS IT officer. **JS** also informed that the latest Portal developments will be presented during the next MC meeting in June 2024.

2. **First discussion of post-2027 and the future of cohesion policy**

EC explained that talks were already ongoing including at DG Regio level and invited Partner States to follow closely the conclusions of recent and future meetings. Strategic recommendations and orientations should be drafted in 2024 while the package of new regulations should be released in mid-2025. A consultation is proposed for 2024 for all stakeholders involved in Interreg programmes, whose conclusions would then feed internal discussions to build the future ETC Regulation. **EC** invited Partner States and their stakeholders to speak out to defend the future of the programme during this period of consultations. **EC** highlighted that a strong storytelling about the programme and a strong involvement of all stakeholders during future important events will be key as discussions might be difficult given the current political context. **EC** strongly recommended the MC to add this topic on the agenda of the next MC.

CoR explained that their opinion about the future of the cohesion policy was adopted in November 2023 and can be summarised in 3 points regarding interregional cooperation:
1. interregional cooperation should be strengthened as it is the best tool to share good practices and cooperate between local and regional authorities across EU.
2. ETC programmes are closely linked to the objectives of the cohesion policy and interregional programmes provide a unique framework of cooperation and integration. This will be key for the integration of candidate countries.
3. Challenges ahead are numerous, in particular with the addition of the candidate countries. There is a need for a higher ETC budget in the future.

RO reminded that 4 years ago the EC proposed to stop the programme. There was however a strong support from the Partner States to continue the programme. **RO** highlighted that it would be key to adopt a clear strategy and to maintain a high level of involvement on the matter in the coming months to avoid the 2018 situation to be repeated. **EC** confirmed that they would also like to avoid a similar situation in the future thanks to solid consultations and internal working groups, also counting on the support of the Partner States. According to **EC**, the main challenge will not be the existence of the programme as such but rather the budget given to the cohesion policy and to Interreg programmes.

LU underlined the importance for the future to put forward the territorial impact and results of the programme to materialise very clearly its added-value and importance. It would be useful to also link up with other programmes to make Interreg Europe a more integrated and lasting programme. **EC** replied that there will be a reflexion on strand C in general and that all 4 interregional programmes are unique. For this reason, the **EC** explained that it

was for instance difficult for the EC ex-post evaluators to find synergies between the programmes. This said, the **EC** reminded the importance to keep an eye on the ex-post evaluation as its conclusions will be published in early 2024 and might play a role for the future of the programme. Currently, this evaluation only takes into consideration the last evaluation from 2020 and therefore dos not properly reflect the current situation. **EC** highlighted the need to make sure that the conclusions of the ongoing EC ex post evaluation are accurate and reflect the importance of the programme.

JS stated that they will use the mandate given by the Partner States to communicate and defend the programme's results and to feed the discussions for the future. The Partner States agreed with the proposal of the **JS** that half a day of the next MC in June could be used to start discussing the future.