

ETC/Interreg Regulation – Annex

Version: Outcome of technical meeting of 23 January 2020

CCI	
Title	Interact IV 2021-2027 cooperation 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. 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 forms of support, 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. Interreg programmes are the main target group of Interact programme. Other cooperation stakeholders in the context of

e.g. macro-regional strategies, Article 17 or simply wider policy implementation receive Interact support as well. Therefore, this section rather than on a pure territorial analysis, focuses on Interact 'customers'.

Interreg SWOT analysis

It was relevant to understand Interreg as policy tool, its strengths and weaknesses and consider the opportunities and threats for its future in the context of post 2020 debate. Such analysis was carried out as part of the Interact IV programming process together with the programme stakeholders. It formed an important input for future Interact work. It revealed areas, where Interreg may need Interact help to become even more effective and recognised tool within cohesion policy and beyond.

Since the current proposal for the post 2020 legal framework does not foresee an ex-ante evaluation, it was necessary to display rigour in background data collection and interpretation. Therefore, it was further elaborated based on the review of the strategic framework documents and other sources (7th Cohesion Report, ex-post evaluations of programming period 2007-2014, 'Boosting growth and cohesion in EU border regions', Communication on Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth etc.), which provided a sounder evidence for individual points of the SWOT analysis. These were mainly EU level documents in order to keep the overall Interreg perspective and validity of arguments at this level. This does not mean that there are no examples proving some of the points to the contrary. Still, we believe that the points presented have a sound basis for overall Interreg conclusions.

The SWOT analysis can be found in Annex 1. Below is the descriptive part of the analysis.

Strengths

It seems that most of the strategic documents reviewed for this paper recognise the added value of Interreg especially in the European (integration) context. For sure the current political climate, where the European project is questioned, makes the strategic stakeholders realise how important cooperation is. It contributes to integration and understanding of the EU by bringing both institutions and people closer together. With 30 years of experience, Interreg programmes are established as an experienced and stable structures managing multi annual funding for cooperation actions within the given area. There is a reason why macro regional, sea basin and other territorial strategies (and stakeholders) seek Interreg support not only in terms of funding but 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.

The territorial focus makes it much easier for Interreg to avoid typical sectoral silos and therefore is a place where different competences (and interests) can meet to solve common

challenges in innovative way. This is why Interreg programmes/projects are seen as innovation and learning incubators, where all (multi-level) stakeholders participate in co-creation process. Ultimately, improving public governance and service to European citizens. It must be quite a motivating work environment as Interreg structures are always ready to promote EU policies to European citizens through e.g. EC Day or Regio Stars. Not many other EU policy instruments can count on such an active community.

There is a human capital aspect of Interreg that cannot be underestimated. It has driven the development of these programmes over almost 30 years. Interreg can be proud of its people who showed the capacity to learn and adapt to changing rules and policy requirements within quite a complicated structure and jungle of rules.

Weaknesses

The complexity (of interests, stakeholders, ideas, structures, rules, etc.) can be called a curse of Interreg, which has then a high impact on the strategic level. The fact that the programmes bring together such a ‘diversity of’ creates an ownership challenge in terms of strategic steering and implementation of the programmes and the projects. On one extreme it can lead to conflicts due to differing visions (or simply understandings/interpretations?) and on the other *laisse-faire* attitude, where ‘nobody’ really feels responsible for taking on a leadership (for vision, results, processes). In effect, there are still examples, where projects define the programme and not the other way around. For sure all programmes find their way to manage this complexity but in the long term all these ‘challenges’ may be difficult to understand for high level EU policy stakeholders. In the end, they do not seem to have a shared vision for cooperation and do not see Interreg/cooperation as a serious policy tool even though cooperation/coordination is highlighted as an important tool for effective policy implementation. As a result, the budget can be considered disproportionately cut in the new MFF post 2020 proposals (still to be seen in detail though).

The number of programmes and consecutively projects does not make it easier to tell the story of cooperation at accumulated policy level. There is a dispersion of thousands of success stories. Each can tell their local tale, but they may be difficult to accumulate to satisfy the political logic of policy accountability at EU level. In this, there seems to be a conflict between territorial success of Interreg and sector policy logic and Interreg may be trapped in it.

On the other hand, the lack of strategic vision for cooperation does not help develop a strategically recognised policy monitoring system (indicators), which would tell the story of cooperation in a meaningful way (for these stakeholders). Therefore, the attempts are bottom up, guessing the political requirements. The fact that the results are normally long term and (good/better) cooperation may sometimes be a result in itself does not always fit these

political ambitions. In effect, instead of appreciating the cooperation as such for what it is, other objectives are added leading to goal congestion and thus confusion or lack of focus. The fact that the potential of using a structured learning cycle from evaluation process (operational and impact) is not a common practice in all programmes does not help move forward with this challenge either.

The European Commission study on border obstacles (2017) raised the importance of cooperation of all key stakeholder for the given obstacle to be removed and consequently the benefits to be realised. Interreg programmes, due to its complicated structure and tendency towards gold plating, resulting from prevailing zero risks culture, put the entry costs for new beneficiaries relatively high. Other funding sources may be ‘an easier catch’ and thus the presence of typical subjects in Interreg prevails in general.

With a lot of resources going to administration (of real or perceived complexity) the truth is that strategic work on real connection with the territory and its strategic common challenges may be neglected. Connections between Interreg programmes, let alone with IGJ programmes, are weak. As a result, Interreg may be re-financing the same ideas and on a higher level miss on strategic anchoring of programmes and project results in policy frameworks in order to make them more sustainable. This focus on administration (first) makes it also 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 Interreg structural challenge of financing daily operations with cash on the account. The financial flows logic of structural funds apply indiscriminatorily to Interreg programmes. This makes the TA resources, the sole funding for programme management staff, vulnerable and not always in sync with programme needs in the programming cycle. Coupled with relative low use of simplified cost options, it also requires from beneficiaries long term pre-financing ability on activities. Yet again, it raises the bar of entry for maybe relevant but financially weaker beneficiaries.

Opportunities

The new programming period carries a substantial hope for simplification. The legislative package draft has been substantially slimmed 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 current period. It further complicated the effort of understanding the legal status. The initial idea of ‘no guidance’ has moved to less, which avoids the risks of total void on clarification, where it would be needed.

Some of the simplification proposals go further than what has been on the table so far: single audit sample, risk based management verifications, amplification of simplified costs options. 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 any limits. Taken together this should substantially reduce the focus (and resources) on purely administrative side of programme management.

Seeing the positive side of the increased pressure on resources, it may be a good opportunity to test a new model of coordinating interventions between the programmes within the same territories, even if having different nature (cross border vs transnational). This ‘opportunistic’ thinking, without regulatory requirement, could actually be used as well for re-thinking programme niches in overlapping geographies for all programmes. This can be taken even further where innovative initiatives like repayable assistance are again put on the table, during new programming process.

These simplification and reinvention efforts could in the end be an opportunity to make cooperation even more attractive and most importantly approachable for stakeholders beyond Interreg. The Commission’s Communication on the Strengthening Innovation in Europe Regions (further referred as “Communication”) promotes cooperation as a tool for dialogue, learning, inspiration and ultimately 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 more strategic agenda. Anchoring (at least some) Interreg activities into the challenge of permanently solving the border obstacles as identified in Commission Communication can be a way of achieving this. This may call for much stronger political leadership and commitment of participating States and Managing Authorities, 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 the calls for a renewed Territorial Agenda 2020+ (2020-2030) emphasise the need to come back the place-based approach and highlight the role of the territorial cooperation and governance of functional areas. Both are the strengths of Interreg.

Last but not least, the common result indicators can be an opportunity to try to capture the 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 communicating Interreg even more strategically and yet again respond to the strategic Council call on making Cohesion Policy more visible.

Threats

The logic of the current legislative proposal by the Commission was rather an evolution than revolution. Still, the accumulated change of some of the more ‘revolutionary’ proposals may still be draining resources towards administration (of these changes). In this way, the opportunity of having more resources for content may not realise. As most of the interests and interactions in cooperation this accumulated change process will require resources to be

managed actively. In effect, the perceived (and/or real) complexity of Interreg will remain and the new potential beneficiaries (for Interreg) will still be choosing to go to the ‘simpler’ funding sources at least in some areas. In an extreme case, even the usual Interreg ‘suspects’ may choose to change as indicated in a number of studies on administrative burden and gold plating. It seems that especially the beneficiaries from the old member states are at risk here.

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, but will all programmes be on board. Or will there be some (political) objections to trust the new system and join? Are we able predict all consequences of the changes to the overall management and control system in individual programmes? Certainly, the risk of negative unpredicted consequences is there and will need to be managed. In the same vain the reduced co-financing rate coupled with flat rate on TA reimbursements may lead to lack of resources at least in some stages of programme cycle.

The introduction of component 5 in Interreg was quite a surprise but should as well be seen as a recognition of cooperation of being able to solve some of the strategic challenges of Europe. Based on the Council and Parliament positions, it seems that it will not be part of Interreg structure anymore. The future will show, if this first idea was a blessing or a curse. If it is successful, due to its political appeal, it may further detract resources from Interreg as we know it post 2027. 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 macro regional strategies, 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 lack of common understanding and acceptance of what to measure in cooperation programmes. We may continue the ‘conflict’ of political need for immediate and tangible results and the Interreg reality of long term impact and having rather a softer nature. The scale of this ‘conflict’ is always tested between the programming periods with setting (or not) adequate resources in the Multi Annual Financial Framework. Interreg post 2020 budget being actually lower only amplifies the challenge of making any case for big, politically attractive results with even smaller resources.

Cooperation actors in the context of Article 17

The above review focuses on Interreg as this is the Interact main target group. However, the regulation calls the future Interact programme to work on harmonising and simplifying possible cooperation actions with beneficiaries located in at least one other Member State financed by so-called mainstream programmes (draft CPR, Article 17.3.d.v).

In preparations for the new programming period, in 2019 Interact approached informally a number of actors responsible for drafting the new ESIF programmes in order to understand their ideas, about the implementation of the requirements of Article 17.3.v.d (draft CPR regulation 2021-2027). This was done to follow up on the Interact III Programme Monitoring Committee request and explore interest and needed support to establish cooperation in the ESIF programmes. Through these discussions, Interact observed that interest and preparedness to make use of this article varies between programmes and Member States. Even though some time has passed since this first approach, it is believed that the key observations are still valid:

- For many programmes the enquiry came early as they envisage start of the programming process at the end of 2019 or in 2020.
- Several responses pointed to 'business-as-usual' scenario – i.e. no plans to accommodate the provisions in national/regional programmes.
- Programmes highlighted that the application of Article 17.3.v.d should be based on real needs and not to merely satisfy the regulations to avoid the 'tick box' effect (also point to difficulty of defining ex-ante transnational actions). Some concern has been expressed on current experience with implementing transnational actions across Member States.
- Some programmes have already started programming, though no specific thoughts or awareness of what the Article means in practice. Could be open though to hear what is possible and what Interact has to offer.
- For some, so far, the perception has been associated with high administrative obstacles for implementing measures with beneficiaries from other Member States. Could thus consider welcoming support from Interact with harmonizing and simplifying the application of the article.
- Issues of eligibility of transnational actions, differences in administrative and control systems, application procedures are of concern for some member states even if thematically such cooperation makes sense.
- Specific opportunity provided by the article in the context of embedding MRS into mainstream programmes as best as possible.
- Specific idea on organizing national exchange on Article 17.3.v.d 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. Forcing cooperation upon those not convinced of its benefits, or perceiving it as administrative and institutional burden, will defeat the purpose.

Interact SWOT

The above review paints a picture of the reality of Interact customers and their potential needs. In order to understand Interact capacity how to address the given challenges and best tailor our service portfolio a similar SWOT analysis was carried out for Interact as an organisation. It was based on the joint work with the Programming Task Force, Interact team and the evaluations available at the time.

The full SWOT table can be found in the Annex 2. Below is the descriptive part of the table.

Strengths

Since the start in 2002, as confirmed by the case-based programme evaluation, Interact has supported the changed of practices in programme authorities and cultures ('mindsets'), which contribute to the achievement of wider impacts on the efficiency and effectiveness of programme implementation. In the 2014-2020 period the 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 has led numerous debates and discussions. More and more this role is associated with voicing the opinions of the Interreg community and ensuring that 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 360 degree perspective, all practices and requirements related to programming and implementation have been scrutinised, relevant target groups were identified and engaged in specialist networks. These practices are far-reaching and are not delineated by the management aspects only but increasingly Interact has built capacity in working with programme thematic issues, MRS actors, EGTC practitioners, etc. Results from the case-based 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 draft regulation related to the new tasks for the programme, an important strength is that Interact staff has knowledge of and experience with tailoring services for the needs of strategic framework actors as well as other cooperation programmes and mechanisms. Even if often the results are of soft, intangible nature, exchanges between these actors were evaluated as "invaluable" for promoting strategic structures and processes. They have also supported establishing a foundation for better governance of the strategies.

A key immediate result of Interact 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 5 cases subject to evaluation (and this can be extrapolated to all services delivered by Interact) there is evidence of changes to structures and processes, changes to staff skills and organisational culture and changes to systems and tools. There is also evidence that these have triggered changes to the project level as well. For example, Interact tools have contributed to reducing the administrative burden for applicants, and have led to other operational improvements, such as "better calls for proposals", and support to applicant capacity to develop projects for Interreg.

Regardless of the fact whether new to Interreg or experienced, Interact has something to offer to everyone. A quick review of the target groups covered by Interact services reveals that Interact 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, MRS implementation support, EGTC and many others. Developing tools and services for the implementation of the programmes and the policy in general post-2020 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 and unbiased views and neutrality of discussions are signature characteristics. These statements are supported by the expanding scope of the target audience for Interact which goes beyond Interreg. For example, actors of newer MRS have been engaged in existing networks, the network of audit authorities has developed into an active community. Interact has also reached to the European citizen. Analysis of the engagement shows that over two million were reached by the organised European Cooperation Day campaigns. In the new period, the potentials of further developing the joined branding, strengthening capitalisation and utilizing better different dissemination channels can boost this role.

Some of the greatest benefits from Interact can be linked to effectiveness, efficiency, free availability and supporting the resilience of the programmes. Interact holds a small fraction of Interreg budget and the conclusions from the case-based evaluation support that the money is well-spent. It is a great success that Interact has led to savings in terms of money and human resources. Interreg electronic monitoring system alone has led to up to EUR 20 million of savings and furthermore on resources to manage the development of the software. Keep.eu, the joint branding and HIT initiatives have also led to saving time and resources across the range of activities implemented. It can be predicted that the programme-wide impact evaluation will testify to further savings incurred on behalf of the programmes stemming from

harmonisation of interpretations of rules and procedures among various stakeholders and reducing the error risk among programmes.

Interact tools and services provide a "common basic standard for programme management". Improved efficiency is also paired with improvements in quality of programme management such as increase in legal certainty for programme authorities which stems from the wide consultation during service delivery and product development and the wide use and application of these among the community and beyond. Providing uniformity of interpretations is another distinct added value characteristic. Often Interact services are seen by the ENI CBC programmes as an example.

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, the awareness of Interreg among 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 stakeholders. 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. The wide participatory approach, in cases, needs to be paired with stronger top-down decision-making to save time in decision-making. The case-based evaluation shows that this is particularly relevant for the development of big projects such as HIT, eMS and Interreg branding. It has been acknowledged that extensive consultation can lead to "complication" of the final product when Interact strives to take every opinion on-board. Furthermore, Interact can benefit from more direct links to key legislators and decision-makers and in particular from participation in their specialised expert networks in order to be able to establish a channel of smoother, 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 final stage of use of Interact services. 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 development of the tools. The danger in these cases is that certain logic and rationale may be distorted and, in the worst case, the effects of (for example) harmonisation can be lost. Again, this has an effect of the simplification efforts made on behalf of the whole community and could have negative resonance with the applicants and beneficiaries.

It is uncontested that Interact has a strong name among the Interreg programme management bodies. Over the 17 years of existence, a strong sense of community and belonging has been built and Interact is one of the family. Nevertheless, the role of Interact in leading some of the strategic projects for the Interreg community are not sufficiently known or acknowledged in policy-making circles and institutions. Interact can increase its presence among these actors and work harder to engage (for example) 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 IGJ programmes as envisaged in the draft regulations.

The above implies that there is also an important task for the Interact in addressing the above weakness. The strength of knowing the strategy and cooperation actors can be deepened within the Interact staff. There is room for improving the internal exchange and knowledge of the actors of strategic frameworks. There is also a strategic decision to be made for the programme on how to work with these actors. 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" in order to 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 among virtual teams as those working on certain topics do not necessarily share the same office. 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 both on 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. This was 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. On the minus side, this implies that "silos" can be observed both on personal and office levels. The threat being that knowledge of big/ important projects is concentrated between a few members of staff (in some cases it can be only one), thus knowledge sharing, 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 (e.g. online learning). We have also witnessed that it takes approximately 6 months for a new staff member to be "operational" in their new position. In times of dynamic changes, this can lead to some gaps in service delivery or to extended working hours for other members of staff. Clearer focus and orientation of the programme in the new period will address some of these concerns. Evaluation also points out that big projects, such as HIT, eMS, and support to MRS but also other which were not covered by the evaluation (e.g. capitalisation, EC day, online learning) require proportionate resource allocation.

Opportunities

There is a distinct opportunity for Interact to play a key role in supporting simplification. This is related to promoting simplification both during programming (i.e. to ensure that simplification provisions are taken up by programmes) and implementation (i.e. to ensure that they are interpreted and followed in a unified manner). Learning from the past, there is also a great opportunity in developing 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 lead to slimming down gold-plating on different levels.

There is a great opportunity for Interact to continue its leadership on engaging the Interreg actors in expert networks and to further expand and deepen the relationship with some target groups. For example, it is envisaged that Interact will have a stronger role to play in supporting IPA CBC, external cooperation programmes (Interreg NEXT?) and outermost regions. It is as well anticipated that the engagement of Interact with IGJ actors will be more pronounced in the new period. This provides an opportunity for Interact to build new knowledge about their cultural and administrative context and 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 also require that, on the one hand, there is well-defined scope for engagement with different actors, coupled with proper understanding of their needs in order to continue providing bespoke and relevant service portfolio. On the other hand, there is an opportunity in thinking how to achieve "more with less". Developing and delivering more integrated services, making greater use of online learning and promoting digitalization 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 from the period 2014-2020 shows 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 great opportunity that this role is further strengthened in the future. As the evaluation concluded, 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 Interact programme. As discussed under weaknesses, such recognition among target groups (and in particular in view of engaging with 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/ 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

At the time of compiling the Interact SWOT there were uncertainties regarding the final provisions in the regulations. Regarding the interregional strand there are still uncertainties in terms of budget allocation and thematic overlap between the programmes. In terms of budget for Interact, either too low or too high budget may pose challenges for the implementation of the programme. While too low budget will require narrowing the scope of the programme and making stringent prioritisation on what the core of intervention should be, a budget that is too

high may trigger dilution of scope and intervention or challenge the absorption capacity of the programme.

Regarding the coordination within the strand, the main principle though still remains unchanged from the current period: it is necessary to establish a clear division of roles between all the interregional programmes, so that programmes' stakeholders are confident that each programme has its genuine role, adds value, overlaps are avoided, and synergies are capitalised on throughout the whole interregional strand.

Discussions between Member States actors during the preparation of the programme have made it clear that Interact's 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 IGJ programmes on the basis of current experience with MRS, Art. 96 and in consultation with the IGJ 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. Advise and input from national authorities and member states will be particularly valuable in this context.

In the new 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 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. The COVID-19 pandemic has accelerated this process, but we are far from reaching our optimum service potential.

Online learning and Interact 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 end 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 (such as Brexit) will have an effect on Interact as well. For example, under Brexit, the status of the programmes, the future modalities for cooperation, and in general, the effect on the overall climate for cooperation are subject to further examination.

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"			<p>[2 000 per objective]</p> <p>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.</p> <p>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 European groupings of territorial cooperation and strengthening the visibility of Interreg.</p>

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)

Better Cooperation Governance

Reference: Article 17(4)(e)

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

Text field [7000]

Within the Interreg Specific Objective "Better Governance" Interact has identified three perspectives with supporting actions which target the enhancement of institutional capacity of public authorities and stakeholders for effective implementation of Interreg programmes and other cooperation actions. In its essence, this enhancement is seen 3 ways: Strengthened capacity to manage processes and procedures better and more effectively; strengthened capacity to work in a cooperation context and strengthened capacity to improve the evidence-base and the visibility of Interreg. In effect, all actions support better governance of the programmes.

Building on the experience of promoting coordination across various stakeholders of the MRS, and more recently actively engaging in supporting the implementation of the SBS, Interact IV targets more comprehensive actions to support the existing territorial frameworks and their actors. Within the institutional capacity building task, Interact would continuously promote cooperation for cohesion within existing strategic policy (territorial) frameworks and outside those. This includes capacity-building approaches, staff exchange methods, cooperation models and experiences for actors within and outside of Interreg. These are embedded in the perspectives identified below.

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

The change proposed focuses on reducing inefficiencies (mistakes, bottlenecks, obstacles) for the management of and participation in Interreg programmes and in cooperation actions. To contribute to this Interact has clustered proposed actions under 3 main categories:

- harmonization of approaches, where the focus is on interpretation and harmonization of rules, on harmonization of information flows and procedures related to the management of programmes and projects as well as to harmonisation of processes supporting cooperation actions referred in point [d (v) of paragraph 3 of Article 17 of CPR].
- simplification of approaches, where simplification is perused in structures governing the programmes, in rules and procedures for programme and project management, for information flows and processes supporting cooperation actions referred in point [d (v) of paragraph 3 of Article 17 of (new CPR)].

- efficient programme management, where the actions support leaner management, clearer delineation of roles and responsibilities, better internal communication, and transparency of flows.

The actions identified should alleviate historical bottlenecks and promote gains from optimizing the management of the programmes. Some of the actions will lead to budget savings, others to reduction of bureaucracy and paperwork and will promote a shift from administration to quality.

Achieving the above requires long-term collaboration and 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 which will bring in effect a systems change. Thus the main focus is on mobilizing and facilitating **networks of experts** who will engage practitioners, legislators and decision-makers alike – to dedicate time and resources and with vested interest in resolving the bottlenecks identified. In specific cases networks will be complemented by **targeted events** which target exchange, inspiration and dissemination of practice as well as **on-demand advisories** for specific programmes which allow for targeted support on specific implementation issues.

b) Strengthening the capacity of Interreg programmes and other cooperation actors to work in cooperation programmes and context

The change proposed focuses on enabling actors involved in the management and implementation of Interreg programmes and cooperation actions to cooperate and to steer the programmes/actions and their human resources in an improved (or simply different) and more inspired/visionary ways. To contribute to this Interact has clustered proposed actions under 3 main categories:

- Institutional knowledge and competence, where the focus is on promoting learning and development of those working in the Interreg programmes and in cooperation context at large. It is about developing the skills to better manage and implement programmes and steer projects and the skills and expertise for developing new ways for managing cooperation between the programmes/funding instruments.
- Cooperation and coordination, where the focus is on strengthening the skills for such among programmes, strengthening the dialogue among Interreg actors, those involved in the management and implementation of MRS/SBS, and support for the knowledge and skills of programmes and stakeholders of the Investment for Growth and Jobs goal to engage in cooperation actions.
- Innovative approaches, where the focus is on supporting actions which promote innovative tools, instrument approaches in cooperation context and for cooperation purposes.

The actions identified take as a starting point the building and strengthening 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/ embracing different concepts, use of innovativeness and creativity not only in the context of Interreg but in other cooperation frameworks and actions. By that, shifts in organizational/institutional culture are targeted as well.

Achieving the above requires activities supporting both training and experimentation.

Trainings, both physical and online, will address the needs of old and new staff and across all functions for continuous learning and development. Simultaneously, targeted **working groups** and **pier-to-pier actions** will test and elaborate new methods, tools, concepts and approaches in cooperation context and programmes.

c) **Strengthening the capacity of Interreg programmes to capture and communicate programme results and to increase visibility**

The change sought focuses on increasing the evidence base of Interreg results and making Interreg achievements and the process of cooperation more visible to all target groups, including citizens and decision makers. To contribute to this Interact has clustered proposed actions under 3 main categories:

- Thematic knowledge and result awareness, where the focus is on supporting strong thematic knowledge, gathering and aggregation and analysis of Interreg results as well as on promoting capitalization as a mainstream management process in programmes.
- Communication of results, where the focus is on integration of communication in the programme life-cycle, communication and promotion of results and building knowledge of what to promote and to whom.
- Visibility of Interreg, where the focus is on promoting strategic communication, deploying joint initiatives to reach out to relevant actors, overall visibility of Interreg in relevant fora, and the conceptualization of cooperation processes.

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 organization but on the instrument as a whole.

Achieving the above 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, targeted stakeholder outreach through **conferences, web tools and promotion campaigns**, empowering capitalization and strategic communication as integrated functions through **seminars and workshops** are at the core.

Definition of single beneficiary or a limited list of beneficiaries and the granting procedure (Art. 17(9)(c)(i))

The extensive knowledge and expertise gained since 2003 by Interact is its foremost asset and key to success. 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 (permanent Interact Offices with their seats in Turku, Valencia, Viborg and Vienna) will implement the programme's service delivery, involving all target groups. All activities (Interact IV will not select and implement projects in its usual Interreg meaning) shall be run by these, according to an annual work plan based on the needs of the target groups, 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.

2.1.1.2 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]
Service delivery	A better cooperation governance	RCO81	Participations in joint actions across borders	Number		
Service delivery	A better cooperation governance	RCO116	Jointly developed solutions	Number		
Service delivery	A better cooperation governance	RCO85	Participations in joint training schemes	Number		

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Service delivery	A better cooperation governance	RCR79	Solutions taken up or up-scaled by organisations	Number	0	2021			

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
Service delivery	A better cooperation governance	RCR81	Completions of joint training schemes	Number	0	2021			
Service delivery	A better cooperation governance	Interact specific indicator	Institutions using knowledge/ skills acquired through joint actions and/ or use of solutions	Number	0	2021			

2.1.1.3 The main target groups

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

Text field [7000]

To be included on later stage.

2.1.1.4 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

2.1.1.5 Planned use of financial instruments

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

Text field [7000]

Not relevant for Interact

2.1.1.6 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		096 ¹	

Table 5: Dimension 2 – form of financing

Priority No	Fund	Specific objective	Code	Amount (EUR)
1- Service delivery	ERDF		01 – Non-repayable grant	

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1 - Service delivery	ERDF		01 - Not applicable	

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 <u>(territorial cooperation goal)</u>								

¹ 096 Institutional capacity of public administrations and public services related to implementation of the ERDF or actions supporting ESF institutional capacity initiatives

<i>Fund</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>Total</i>
<i><u>ERDF programmed under Article 17(3) (Investments for Jobs and Growth goal)</u></i>								
<i>IPA III CBC²</i>								
<i>Neighbourhood CBC³</i>								
<i>IPA III⁴</i>								
<i>NDICF⁵</i>								
<i>OCTP⁶</i>								
<i>Interreg Funds⁷</i>								
<i>Total</i>								

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 of 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 ⁷								
		IPA III CBC ⁸								
		Neighbourhood CBC ⁹								
		IPA III ¹⁰								
		NDICI ¹¹								
		OCTP Greenland ¹²								
		OCTP ¹³								
		Interreg Funds ¹⁴								
	Priority 2	(funds as above)								
	Total	All funds								
		ERDF								
		IPA III CBC								
		Neighbourhood CBC								
		IPA III								
		NDICI								
		OCTP Greenland								
		OCTP								
		Interreg Funds								
	Total	All funds								

⁷ When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.

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 the Managing Authority (MA), in consultation with the countries participating in the programme. Building the partnership follows the programme priorities and territorial specificities (and resulting specific needs of programmes). 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.

Resulting from that Interact has established the following three guiding principles: 1. relevance of the potential partners for the overarching programme objective, i.e. the Interreg-specific objective 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 Better cooperation governance and therefore, the type of partners will be rather institutions such as public authorities and administration.

Bearing in mind the above, the members of the partnership should be the authorities in charge of the management, implementation and control of Interreg programmes (as well as external cooperation programmes and in specific cases also Investment for Growth and Jobs Goal programmes) such as: 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: 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 (CPMR, MOT, AEBR, TESIM, CBIB+).

Territorial specificities

Interact IV is a programme for the entire EU plus associated, candidate and neighbouring countries. In more detail Interact IV covers the EU plus Norway and Switzerland as the financing countries. However, Interact IV offers services also for EU external cooperation programmes based on pre-

identified needs (Interreg IPA CBC, Interreg NEXT, OMR), i.e. it seeks to involve also relevant partners from involved non-Member States (if directly relevant for the implementation of Interreg programmes).

Proportionality of the approach

The application of this principle to Interact IV means to keep the number of partners in proportion to the programme size respectively its funding volume. The funding available for the programme amounts to about EUR XXX. That needs to be considered when discussing levels of service and outreach to clients, i.e. people working in and for programmes.

In the preparation and implementation phases, Interact IV will be able to keep quite a number of partners involved. Given the fact that it covers the entire EU (and beyond) the participation in the monitoring committee meetings is limited to the representation of umbrella organisations at EU level, as indicated in the Commission Delegated Regulation (EU) No 240/2014 (European code of conduct on partnership in the framework of the ESIF; cf. Article 10.2). Thus in this case part of the responsibility lies with the Member States since the respective Article states that the partnership principle is respected through the prior involvement of 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

To be added later.

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.

As indicated in the section on the proportionality of the approach - in case Interreg and other partners will be interested in sending input to the monitoring committee (MC) discussions, the stakeholder should contact the national contact person/MC member or the MA, who will collect and compile the inputs from the respective territories or stakeholder(s). Interreg community's needs are regularly assessed: 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 Joint Annual Work Plan 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.

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 [10 000]

6. Implementing provisions

6.1. 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)			
Audit authority	Ministry of Finance of the Slovak Republic/ Section of audit and control		
Group of auditors representatives			
Body to which the payments are to be made by the Commission	Ministry of Finance of the Slovak Republic/ Section of European Funds		

6.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b)

Text field [3 500]

The Managing Authority will be assisted by a small joint secretariat (Interact Secretariat) and will contract the decentralised implementing bodies, henceforth called the Interact Offices, actually delivering the programme to the target groups.

There will be strong organisational ties between the Managing Authority, the Interact Secretariat and the Interact Offices concerning the joint elaboration and the implementation of a Multi Annual Work Plan [PM1] [DK2] and the Joint Annual Work Plans.

According to the nature of the programme (Interact IV will not implement projects within the usual Interreg sense, but have limited set of beneficiaries throughout the whole implementation of the programme), there is no need of providing information to beneficiaries and thus the small secretariat unit, set up within the MA, in the organisational structure of the Bratislava Self Governing Region (Interact Secretariat, IS), shall mainly assist the Managing Authority and the Monitoring Committee 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. annual work planning) and key documents (e.g. the Multi Annual Work Plan and rules of procedures of internal working groups);

- coordinating the actual implementation of programme-level processes, including facilitating the annual work planning exercise, compiling on the basis of Interact Offices' inputs the Joint 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 financial and activity monitoring tasks under the responsibility of the Managing Authority;
- contributing to and fulfilling programme-level reporting obligations;
- providing (setting up, maintaining and further developing) the joint IT infrastructure for Interact Offices including the programme monitoring system, online collaborative work platform, etc.

6.3 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]

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 the 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 . The electronic monitoring system will include a specific form and procedure, to report on irregularity, which will also be part of the description of the management and control system.

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 an action 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 occurred from systemic errors or irregularities, caused by decisions made by the programme Monitoring Committee. Programme bodies and/or beneficiaries are liable for irregularities, including those ones having a systemic nature, they caused.

New point 7

7. 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

Appendix 2: *Union contribution based on unit costs, lump sums and flat rates*¹⁵

Template for submitting data for the consideration of the Commission

(Article 88 CPR)

Date of submitting the proposal	
Current version	

¹⁵ The Council's partial mandate changed the title of the appendix, linked to CPR Block 6. Without prejudice to further alignment on the outcome of the interinstitutional agreement on CPR Block 6.

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 ¹⁶	
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	

¹⁶ 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/ ¹⁷
					Code	Description		
The overall amount covered								

¹⁷ The Council partial mandate added this column in line with CPR Block 6. Without prejudice to further alignment on the outcome of the interinstitutional agreement on CPR Block 6.

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] ¹⁸			
1.11 Arrangements to ensure the audit trail Please list the body(ies) responsible for these arrangements.			

¹⁸ The Council's partial mandate added point 1.10a, which was amended to improve clarity.

New Appendix 3a

Appendix 3a: List of planned operations of strategic importance with a timetable - Article 17(4)

Text field [2 000]
