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

1.1 Programme area (not required for Interreg C programmes)

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

The programme area covers the whole territory of the 27 Member States of the EU (242 NUTS2 regions), Norway (7 regions), Switzerland (7 regions), Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia, Moldova and Ukraine¹. These countries are referred to as Partner States (PS) in this document.

1.2. Summary of main joint challenges

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

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

The European Union (EU) is committed to deliver results on several strategies over the coming decades, and the cohesion policy will have a key role to play.

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

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

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

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

The recent crises faced by the EU have increased inequalities in many areas. Working for social fairness and prosperity as part of the EU priority "An economy that works for people" and the European Pillar of Social Rights also appear as key drivers for this programme. Individuals and

¹ Following the unprovoked and unjustified Russia's war of aggression against Ukraine and its impact, only the territories under the control of the sovereign Government of Ukraine are eligible under the programme. Regions under Russia's military control will not be eligible.

businesses in the EU, in particular small and medium-sized enterprises, can only thrive if the economy works for them. The EU's unique social market economy allows economies to grow and to reduce poverty and inequality. With Europe on a stable footing, the economy can fully respond to the needs of the EU's citizens.

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

Interreg Europe may be able to support the response to any form of crisis (e.g., humanitarian, climatic with heat waves for instance, pandemic) should one emerge during its lifetime.

In this respect, at the start of the 2021-2027 programming period, Europe is facing an unprecedented health crisis due to the COVID-19 pandemic, which took hold in spring 2020. This is set to have very severe and long-lasting effects on many economic sectors (e.g., tourism, the cultural and creative sector) and probably on other issues such as people's choice of transport mode, consumer habits, ways of life, health, etc. in Europe's regions. Over the coming decades, the EU must address the challenges arising from these effects, along with the ecological transition, the digital transitions and demographic change. All these challenges will have strong impacts on a wide range of policy fields at EU, national, regional and local levels.

Public policies will undoubtedly be needed to help Europe's economy and the wider society to recover from the crisis. In this regard, the EU's cohesion policy remains essential for supporting the economic and social recovery in EU regions. With this policy, the EU contributes to the harmonious development across the Union by strengthening its economic, social and territorial cohesion in all EU regions and Member States. Interreg Europe continues to be one instrument of this policy with the potential to accelerate harmonious development by promoting a large-scale exchange and transfer of experience, peer-learning and benchmarking across Europe.

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

1.2.2. Disparities and inequalities across Europe and challenges for regions

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

The triennial report on economic, social and territorial cohesion in Europe provides a valuable insight on major trends at work. The 8th Cohesion Report released in February 2022 highlighted key trends that are relevant for the 2021-2027 programming period. These include the narrowing of regional disparities and yet the stagnation in southern and south-western areas, especially in non-urban areas. The Report acknowledges the asymmetric impact of the COVID-19 effects on EU regions, and the sectors that were most negatively affected, such as tourism.

Other general trends in the Report point to the fact that further investment in innovation, skills, governance and digitalisation is needed to keep closing the GDP gap. In addition, the need to invest in environmental protection and clean energy remains as a key driver to ensure sustainability, competitiveness and quality of life. The Report also highlights the transformation that the green transition will bring to the economy. i.

Key economic, social and territorial disparities for each of the five EU policy objectives are described below, as well as some crucial policy challenges for European regions, in particular those that are governance-related.

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

A more competitive and smarter Europe

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

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

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

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

The development of the digital economy and society is uneven across EU Member States. Rural and peripheral regions are vulnerable in the shift towards the digital economy. The digitally more developed regions of northern and central Europe overlap with the knowledge and innovation

regions. Considering the high cost of digital infrastructure in territories with geographic challenges, outermost regions, and rural areas, digital connectivity could be supported through local measures aimed at increasing demand through the promotion of ICT use and dematerialisation of services.

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

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

A greener, climate-neutral and resilient Europe

Climate change has different impacts on each of Europe's biogeographical regions. Observed impacts include changes to the environment, to ecosystems, and to the food, water and energy systems. Vulnerability to climate change varies considerably from region to region. Climate change is increasingly causing environmental damage, is adversely impacting well-being and health, and is generating economic losses.

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

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

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

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

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

Blue economy is also a pillar of the green transition and will contribute to the sustainable development of the oceans and coastal resources. A number of sectors are key in the blue economy such as marine living resources, marine non-living resources, marine renewable energy, port activities, shipbuilding and repair, maritime transport and coastal tourism.

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

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

A more connected Europe

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

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

A more social and inclusive Europe

As a result of the 2008 financial crisis, the unemployment rate in the EU reached a record high of 11% in 2013, dropping to 6.2% in late 2019. But the situation is set to deteriorate markedly in the early 2020s.

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

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

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

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

Working conditions are also of growing interest, with aspirations for a better work-life balance, equal opportunities, the inclusion of vulnerable groups (e.g., people with disabilities, migrants, Roma population and other minorities or marginalised groups), and more flexible forms of work. Moreover, the role and place of pensioners in society should be better addressed in light of the ageing society.

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

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

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

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

A Europe closer to citizens

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

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

Interregional cooperation can contribute to a Europe closer to citizens by supporting key areas for the development of effective integrated place-based strategies and policies, which could cover issues like local cooperative digital platforms, bottom-up/local green deal strategies dealing for instance with energy poverty, among other themes. The support could facilitate better spatially adapted governance, as governance for collective action requires capacity for consensus building and long-term commitment. Moreover, experimentation in terms of building governance networks and structures is an important aspect of efficient cooperation structures, and capacity building is a key precondition for efficient territorial policies. Interreg Europe could help to ensure that integrated territorial strategies are concretely implemented on the ground.

1.2.3. Complementarity and synergies with other funding programmes and instruments

The complementarity of Interreg Europe with other forms of support is found in the added value of this cooperation programme against other sources of funding. In some cases, the complementarity may lead to coordination and synergetic action. In other cases, only the added value of Interreg Europe is indicated in the sections below. Complementarity has therefore a larger scope than coordination. The complementarity and connections that can be established by Interreg Europe with other sources of funding are as follows:

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

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

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

Furthermore, in the event that an IJ&G programme envisages interregional cooperation actions (Article 22(3)d(vi) of Regulation (EU) 2021/1060 (CPR), the complementarity exists automatically. So far, the regions opting for this type of cooperation had specific thematic or geographic aims that could not be covered by any of the existing Interreg programmes. As in the past, these regions will need to define and design their own cooperation rules. This is where INTERACT can help, by drawing inspiration from existing Interreg programmes. Beyond defining the rules, Interreg Europe can also help to implement this form of cooperation when regions are looking for relevant partners or for experience on relevant themes.

The complementarity with the Interregional Innovation Investment Instrument (I3)

The Interregional Innovation Investment Instrument (I3) is included in the ERDF Regulation (EU) 2021/1058 and consists of two main strands. The first strand focuses on investments in interregional projects for mature partnerships and the second supports the development of value chains in less developed regions.

This latter strand is complemented by dedicated capacity building for less developed regions. Under both strands, the participation of innovation actors from both more and less developed regions is mandatory. The I3 Instrument and Interreg Europe do not overlap, as their objectives and scopes differ.

Nonetheless, synergies between the I3 Instrument and Interreg Europe could be anticipated and could further contribute to the successful implementation of interregional innovation projects. The results achieved by the new I3 Instrument may offer a valuable source of learning for Interreg Europe's projects and Policy Learning Platform in terms of sharing knowledge, policy improvements and strengthening the impact of Interreg Europe. Reciprocally, Interreg Europe projects focusing

on innovation may set the basis for future Interregional Innovation Investments depending on the lessons learnt from the cooperation and the possible identification of areas for joint investments.

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

The complementarities with other Interreg programmes

The complementarities among all Interreg programmes are set out in Article 3(3) of the ETC Regulation. In the case of strands A, B and D, both the geographical coverage and the approach of each strand reveal the added value of strand C and of Interreg Europe in particular. Whereas strands A, B and D focus on solutions to solve the cross-border or transnational challenges, Interreg Europe allows for interregional capacity building to improve regional development policies. Cooperation among all Interreg strands is furthermore ensured by the INTERACT programme in the various programme management areas.

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

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

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

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

The complementarities with other EU instruments and EU policies

A number of other EU instruments and policies can benefit from the interregional policy learning opportunities offered by Interreg Europe's operations (projects and the platform). This is, for instance, the case with the implementation of the Recovery and Resilience Facility.

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

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

In respect of Europe's goal for a greener, climate-neutral and resilient Europe, Interreg Europe support could benefit the European Green Deal's specific instruments: the Resource Efficient Europe Flagship Initiative, the Circular Economy Package, the Zero Pollution Ambition, the Life Programme, the EU Biodiversity Strategy, the EU Strategy on Green Infrastructure, the Knowledge and Innovation Community on Climate and the new approach on Sustainable Blue Economy. The Knowledge Hub of the European Climate Pact is also a relevant initiative which could further contribute to the dissemination of good practices and policy successes. In addition, the link to the Horizon Europe mission on adaptation and societal transformation offers opportunities to address climate change challenges.

The EU's Urban Mobility Package could also benefit from interregional policy learning on sustainable multimodal urban mobility, while the Connecting Europe Facility and Digital Europe Programme could similarly benefit from learning on energy, transport and digital connectivity.

The New European Bauhaus (NEB) is a creative and interdisciplinary initiative situated at the crossroads between art, culture, social inclusion, science and technology. Through its cross-cutting priority dedicated to capacity building, Interreg Europe would be able to cover all issues relevant to regional development and Cohesion policy, including integrated territorial strategies aligning different agendas (e.g., from Cultural and creative sectors and European Green Deal) and therefore would also have the potential to contribute to the NEB.

There may also be complementarities on healthcare between Interreg Europe and the EU Health Programme and Horizon Europe programmes. Similarly, on employment, complementarities are possible with the EU's Employment and Social Innovation programme.

Erasmus+ could offer fruitful complementarities in the particular fields of education and training.

Finally, complementarities could be established with the Common Agricultural policy (CAP) and LEADER, as their approach inspired CLLD.

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

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

In 2021-27, this operational coordination will be followed-up as innovation has always been a popular topic in interregional cooperation. At a strategic level, Interreg Europe's 2021-27 contribution to smart specialisation could be regarded as a space for experimentation, learning and generation of good practice in this area that can serve broader purposes. In addition, the interregional policy learning process helps to build capacities for implementing S3 and exploiting

synergies between S3/ERDF and other EU Funds (for example, the European Maritime Fisheries and Aquaculture Fund), including Horizon Europe and in particular its European Innovation Ecosystems Work Programme. Interreg Europe projects can complement Horizon Europe priorities such as the missions and partnerships.

The complementarities with the Territorial Agenda 2030

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

1.2.4. Lessons learnt from past experience

Lessons on operational aspects of cooperation projects and the platform

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

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

A second main aspect in project implementation is the link to European Structural and Investment Funds (ESIF) programmes, which was a requirement for all Interreg Europe projects. The 2014-20 programme encountered obstacles in establishing an effective link, especially related to the implementation timing gap between the ESIF and Interreg Europe projects. It would be sensible therefore to ease the obligation of linking projects to the ESIF programmes. The final evaluation also points to the need to involve the organisations that are directly responsible for the addressed policy instruments as project partners.

Turning to the platform, to make it more effective, its structure underwent significant adjustments during the 2014-20 period. This was the first time that such an innovative service has been developed by an Interreg programme. The overall results of this initiative have been largely positive, as is reflected in the high satisfaction rate of its users.

Lessons on policy change and impacts

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

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

Regarding the platform, the qualifications of thematic experts and the involvement of projects are key to the quality of its services. The platform allows the programme to address the fourth level of learning (external) directly. This is about creating learning opportunities for individuals and

organisations not involved in projects. In this regard, the peer review tool has been one of the most successful services.

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

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

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

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

1.2.6. Strategy of the programme

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

The ETC Regulation (EU) 2021/1059, Article 3(3)(a), states that the aim of the Interreg Europe programme is to promote the exchange of experience, innovative approaches and capacity building focusing on policy objectives, in relation to the identification, dissemination and transfer of good practices into regional development policies, including Investment for jobs and growth goal programmes.

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

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

Overall objective of the Interreg Europe 2021 – 2027 programme

Based on the objective laid down in the European territorial cooperation regulation and the rationale described above, the Interreg Europe programme's overall objective is as follows:

To improve the implementation of regional development policies, including Investment for jobs and growth goal programmes, by promoting the exchange of experience, innovative approaches and capacity building in relation to the identification, dissemination and transfer

of good practices among regional policy actors.

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

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

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

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

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

Scope of the programme

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

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

The composition of these two groups is presented below:

- **Group 1** - Thematic areas covered by:
 - all SOs under PO 1 - Smarter Europe
 - all SOs under PO 2 - Greener Europe
 - under PO 4 - More social Europe, SOs related to labour markets (i), health care (v) and culture and sustainable tourism (vi)
- **Group 2** - Thematic areas covered by:
 - all SOs under PO 3 - More connected Europe
 - all SOs under PO 5 - Europe closer to citizens

- under PO 4 - More social Europe, SOs related to education (ii), socioeconomic inclusion (iii), integration of third country nationals (iv)

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

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

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

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

Operationalising the strategy

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

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

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

These two actions are applicable to all the specific objectives supported by the programme.

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

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

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

During the programme implementation, the Managing Authority will when relevant promote the strategic use of public procurement to support Policy Objectives (including professionalisation

efforts to address capacity gaps). Beneficiaries will be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g., green public procurement criteria) and social considerations as well as innovation incentives should be incorporated into public procurement procedures.

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

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

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
Interreg-specific objective (ISO) 'a better cooperation governance'	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	1	<p>The choice of the Interreg-specific objective is based on the following considerations:</p> <ul style="list-style-type: none"> • European regions are facing serious economic, environmental and social challenges; • The potential of and opportunities for cooperation between public institutions and stakeholders in European regions to promote the exchange of experiences, innovative approaches and capacity building on policy objectives and on issues directly related to implementing policy instruments, are insufficiently developed and exploited in relation to the identification, dissemination and transfer of good practices into regional development policies, including Investment for jobs and growth goal programmes; • The focus of the Interreg Europe programme on the exchange of experience and capacity building among regional policy actors to improve their capacity for the design, management and implementation of their regional development policies fits perfectly with the definition of the Interreg-specific objective on governance; • It is in line with the type of results that can be expected from the Interreg Europe programme, which are increased capacities of regional policy actors and improvements in the (implementation of) regional policy instruments; • It does justice to the diversity of regional policy challenges across the European territory. Under the Interreg-specific objective, regional policy actors can work together on all policy issues of shared relevance in line with their regional needs, as long as this falls within the scope of cohesion policy; • It offers the programme a certain flexibility to adapt to emerging policy developments - again, within the scope of cohesion policy. <p>Interreg Europe will support actions that contribute to this objective by means of grants.</p>

2. Priorities

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

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

Reference: Article 17(3)(d)

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

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

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

Reference: Article 17(3)(e)

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

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

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

Introduction

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

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

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

The types of actions supported by the programme have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

1. Interregional cooperation projects

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

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

Projects have two phases.

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

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

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

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

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

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

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

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

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

2. Policy Learning Platform

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

The platform offers a range of activities and services to the European regional policy community. The thematic coverage of the platform activities will reflect the thematic concentration of the programme, cf. section 1.2.6. It supports networking and exchange of experience among relevant

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

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

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

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

2.1.3 Indicators

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

Table 2: Output indicators

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	<i>Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;</i>	RC081	Participations in joint actions across borders	Participants	0	14,000
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RC087	Organisations cooperating across borders	Organisations	0	13,000
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RC084	Pilot actions jointly developed and implemented in projects	Pilot actions	0	190
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	OI4	Policy instruments addressed	Policy instruments	0	1,700

Table 3: Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Base-line	Reference year	Final target (2029)	Source of data	Comments
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RI1	<i>People with increased capacity due to their participation on platform events</i>	<i>Participants</i>	0	2022	4,200	<i>Programme monitoring system & survey</i>	
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RI2	<i>Organisations with increased capacity due to their participation in interregional cooperation</i>	<i>Organisations</i>	0	2022	8,500	<i>Programme monitoring system & survey</i>	
1	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;	RI3	<i>Policy instruments improved thanks to Interreg Europe</i>	<i>Policy instruments</i>	0	2022	850	<i>Programme monitoring system</i>	

2.1.4 The main target groups

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

Target groups

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

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

- Business support organisations (e.g., development agencies, innovation agencies, chambers of commerce, clusters);
- Environmental organisations (e.g., environmental agencies, energy agencies, NGOs);
- Education and research institutions (e.g., universities, research centres);
- Other organisations of relevance to regional development policies (e.g., Local Action Groups; social partners).

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

Regional stakeholder group

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

Eligible beneficiaries

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

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

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

Guiding principles for selection of projects

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

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

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

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

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

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

Reference: Article 17(3)(iv)

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

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

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

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

2.1.6. Planned use of financial instruments

Reference: Article 17(3)(v)

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

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

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

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

Table 4: Dimension 1 – intervention field

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	Interreg funds	Enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders.	173	356,002,473

Table 5: Dimension 2 – form of financing

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	Interreg funds		Grant	356,002,473

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

Priority No	Fund	Specific objective	Code	Amount (EUR)
1	Interreg funds		33	356,002,473

3. Financing plan

Reference: Article 17(3)(f)

3.1 Financial appropriations by year

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

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
<i>ERDF (territorial cooperation goal)</i>	0	0	0	0	0	0	0	0
<i>IPA III CBC¹</i>	0	0	0	0	0	0	0	0
<i>NDICI- CBC²</i>	0	0	0	0	0	0	0	0
<i>IPA III³</i>	0	0	0	0	0	0	0	0
<i>NDICI⁴</i>	0	0	0	0	0	0	0	0
<i>OCTP⁵</i>	0	0	0	0	0	0	0	0
<i>Interreg Funds⁶</i>	0	64,827,095	66,754,886	67,831,347	68,929,296	57,072,772	59,067,274	384,482,670
Total	0	64,827,095	66,754,886	67,831,347	68,929,296	57,072,772	59,067,274	384,482,670

3.2 Total financial appropriations by fund and national co-financing

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

Table 8

PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	Indicative breakdown of the EU contribution		National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
					Without TA pursuant to Article 27(1) (a1)	For TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			

0	Priority 1	ERDF ¹	Total	0			0	0	0	0		
		IPA III CBC ²		0			0	0	0	0		
		NDICI-CBC ³		0			0	0	0	0		
		IPA III ⁴		0			0	0	0	0		
		NDICI		0			0	0	0	0		
		OCTP ⁹		0			0	0	0	0		
		OCTP		0			0	0	0	0		
		Interreg Funds			384,482,670	356,002,473	28,480,197	96,120,668	87,812,626	8,308,042	480,603,338	80%
Total	All funds	Total	384,482,670	356,002,473	28,480,197	96,120,668	87,812,626	8,308,042	480,603,338	80%	2,930,000.00	

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

2 Interreg A, external cross-border cooperation.

3 Interreg A, external cross-border cooperation.

4 Interreg B and C.

5 Interreg B and C.

6 Interreg B and C.

7 Interreg C and D.

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

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

Reference: Article 17(3)(g)

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

Programming Committee

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

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

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

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

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

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

Public consultation

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

- the first draft version on 25 September 2020 with the first strategic orientations;
- the second draft version on 18 December 2020 with the operational arrangements for projects and the platform;
- the final draft version of the CP was put out for a formal public consultation over a prolonged period of five weeks from 15 March to 16 April 2021. Participation in this public consultation, which took the form of an on-line survey, was open to all interested actors across Europe. Representatives of the Partner States actively communicated on the possibility of participating in this consultation to the relevant stakeholders in their country. This online public consultation survey was consulted by 554 people, of whom 158 completed the questionnaire. All the participating countries were represented in these responses. These

contributions included more than 250 individual comments and suggestions for modification or clarification of the programme. Public authorities (local, regional and national) represented 45% of the respondents, education and research institutions 18% and business support organisations 9%. A list of all responding organisations is provided in appendix 4 of this document.

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

Stakeholders workshop

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

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

Integration of partners' feedback in the cooperation programme

The process for integrating the partners' contributions into the final version of the cooperation programme can be summarised as follows.

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

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

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

For the financing plan (section 3): a few requests were related to the need for a higher co-financing rate to secure the full involvement of specific categories of actors/territories. The co-financing rate in the programme financing plan is an average rate at programme level and takes into consideration the reduction of the maximum average rate at programme level to 80% in line with the new regulation.

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

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

Finally, the contributions related to the programme's implementation arrangements (mainly sections 7 and 8) will be taken into consideration in the programme manual.

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

Strategic Environmental Assessment

Due to its core focus on capacity building, the Interreg Europe programme will not have a direct impact on the environment. Interreg Europe was therefore not subject to a strategic environmental assessment (SEA) as confirmed by the French Decree No. 2021-1000 of 30 July 2021.

Extension of the programme area to 7 new Partner States

During its meeting of 13 December 2022, the MC agreed that the MA/JS can investigate the possibility of involving a total of 7 countries (Albania, Bosnia-Herzegovina, Montenegro, North Macedonia, Serbia, Moldova and Ukraine) to align with the URBACT programme. Between January and May 2023, these 7 countries were consulted in bilateral talks by the EC and they confirmed their interest in joining the Interreg Europe programme. On 15 June 2023, the Interreg Europe Monitoring Committee decided on an amended version of the programme document and to submit it to the EC for formal approval of an extended programme area and the allocation of NDICI funding to the programme.

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

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

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

Representatives of the Commission shall participate in the work of the monitoring committee in a monitoring and an advisory capacity in line with Regulation (EU) 2021/1060 Article 39 and Regulation (EU) 2021/1059 Article 29.

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

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

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

1. Checking the eligibility of partner status, based on the information provided and on the national legal framework;
2. Checking the relevance of the letter of support's signatory (if applicable and further specified in the programme manual);
3. Supplying national specific information;
4. Establishing a point of contact for potential applicants;
5. Disseminating programme information widely, including about the Platform's services;

6. Organising national/ regional events for information and dissemination, including promoting the Platform's services.

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

Reference: Article 17(3)(h)

5.1. Objectives

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

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

The Policy Learning Platform also significantly contributes to the programme's objectives and opens access to policy learning to all programme's target groups. It is therefore considered as an operation of strategic importance.

5.2. Target audiences

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

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

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

5.3. Communication channels

Channels to reach our target audiences and achieve our objectives:

- a. **A website**, striving towards EN 301 549 standard for accessibility, with a dedicated space for project websites ensuring their harmonised visibility, and the Policy learning platform, with an active and engaged online community
- b. **Social media** (Facebook, Twitter, YouTube, LinkedIn and Instagram) for constant communication with our audiences and targeted campaigns (the mix can change to follow new IT trends)

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

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

5.4. Planned budget

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

5.5. Monitoring and evaluation

All communication and visibility actions will be regularly evaluated by external or internal evaluators. Data for the evaluation of the communication objectives will come from surveys, internal statistics, project reports, and website analytics. The result indicators are defined in the four objectives above. The programme will have a more detailed set of indicators to follow and evaluate all communication and visibility actions and improve their performance on an ongoing basis.

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

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

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

Although this section does not apply to Strand C Interreg programmes, Interreg Europe will still support smaller scale cooperation initiatives through the Policy Learning Platform and the participation of smaller scale organisations in projects (e.g., through the stakeholder groups). It will not use small project funds (as defined in Article 25 of the Regulation (EU) 2021/1059 on ETC), which are not adapted to the programme's overall objective, types of supported actions and geographical scale of project partnerships.

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(6)(a)

Table 9

Programme authorities	Name of the institution	Contact name	Position	E-mail
Managing authority	Hauts-de-France Region	Anne Wetzel	Directrice, Direction Europe	anne.wetzel[at]hautsdefrance.fr
Audit authority	Interministerial Commission for the Coordination of Controls - in France	Martine Marigeaud	Présidente de la CICC	martine.marigeaud[at]finances.gouv.fr
		Anne-Chrystel Guiochon	Adjointe au chef de pôle et chef de mission d'une commission interministerielle indépendante	anne-chrystel.guiochon[at]finances.gouv.fr
		Marie-Laure Uhlich	Chargée de mission	marie-laure.uhlich[at]finances.gouv.fr
Body to which the payments are to be made by the Commission	POM Oost-Vlaanderen	Dieter Geenens	General Director	joke.van.de.velde[at]oost-vlaanderen.be
		Joke Van de Velde	Policy Officer	
Body other than the managing authority entrusted with the accounting function	POM Oost-Vlaanderen	Dieter Geenens	General Director	joke.van.de.velde[at]oost-vlaanderen.be
		Joke Van de Velde	Policy Officer	
National authority (for programmes with participating third countries, if appropriate)	<i>Info communicated by new PS with the Agreement</i>			
Group of auditors representatives	<i>Info communicated by PS with the Agreement</i>			

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(6)(b)

Arrangements are already in place at the time of programme submission because implementation arrangements have been retained from the 2014-2020 programming period. The joint secretariat is set up after consultation with the Partner States under the responsibility of the managing

authority. Staff recruitment takes into account the programme partnership; the recruitment procedures follow the principles of transparency, non-discrimination and equal opportunities. The location of the joint secretariat is in Lille, France.

The joint secretariat assists the monitoring committee and the managing authority, in carrying out their duties. It cooperates closely with the body in charge of the accounting function. In accordance with the e-cohesion principle and Annex XIV of the CPR, all exchanges between Interreg Europe and all the programme authorities are carried out by means of electronic data exchange.

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

The joint secretariat is funded from the technical assistance budget.

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

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

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

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

Reference: Article 17(6)(c)

Reduction and recovery of payments from beneficiaries

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

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

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

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

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

Liabilities and irregularities

For the use of the programme ERDF, NDICI funding (jointly referred to as ‘the Interreg funds’), Norwegian and Swiss funding, the Partner State will bear liability as follows:

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

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

In compliance with Annex XII referred to in Article 69 of Regulation (EU) 2021/1060 (CPR), each EU Member State is responsible for reporting irregularities committed by beneficiaries located on its territory to the Commission and at the same time to the managing authority. Each EU Member State shall keep the Commission as well as the managing authority informed of any progress of related administrative and legal proceedings. The managing authority will ensure the transmission of information to the accounting body and audit authority. Based on the financing agreements signed with them, the non-EU countries financed by Interreg funds are also responsible for reporting irregularities committed by beneficiaries located on their territories to the Commission and to the managing authority.

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

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

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

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

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

APPENDICES

Appendix 1. Union contribution based on unit costs, lump sums and flat rates
Article 94 Regulation ((EU) 2021/1060 (CPR)

Not applicable

Appendix 2. Union contribution based on financing not linked to costs
Article 95 Regulation ((EU) 2021/1060 (CPR)

Not applicable

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

Interreg Europe's overall objective is to improve "regional development policies, including Investment for jobs and growth goal programmes". Therefore, Interreg Europe is of strategic character by definition, and all operations supported by the programme are of strategic importance.

Nevertheless, the Policy Learning Platform is identified as an operation of particular strategic importance due to its objective, duration and scope of intervention. By capitalising on all projects good practices, it offers a range of services to strengthen the institutional capacity of any interested regional development policy practitioners across Europe. In particular, these services can complement the Commission's action on administrative capacity building for practitioners of the Investment for jobs and growth goal's programmes. The Policy Learning Platform should also significantly contribute to the visibility and outreach of the programme to all regions in Europe. This operation is implemented from 2023 until the end of the programming period.

Map of the programme area

Not applicable to Interreg C programmes