

2021-2027 – 5th Interreg Europe Monitoring Committee meeting

4 and 5 June 2024, Sarajevo (Bosnia and Herzegovina) and online

Chaired by: Belgium (BE)

Participants: See participants' List (annex 01)

Decision notes: Interreg Europe JS

01. Welcome, opening and approval of the agenda

The host and the chair welcomed the participants to this first Monitoring Committee after the extension of the programme to 7 new countries and presented the agenda (annex 02). The new members of the MC introduced themselves.

JS gave an update on the JS human resources and on the meetings in which the JS participated (annex 03).

Decision: The agenda of the meeting was approved unanimously.

02. Programme enlargement – state of play

JS updated the MC on the state of play of the programme enlargement (annex 04).

Discussion:

EC indicated that they would send back the programme with 2 observations: one about the missing agreement to the CP from Serbia and a small technical remark. **RS** confirmed that their agreement to the CP would be signed the following week.

03. Project presentation from Belgium (online)

Nicole Laiacona from the City of Mechelen (BE) presented their participation in 4 Interreg Europe projects (annex 05).

Discussion:

EC asked how the city organised itself to participate in several projects. Mrs Laiacona explained that they have a dedicated team provided administrative support to the project teams (internal helpdesk) and also employed extra staff when needed.

The JS asked the project if they had any wish for a future programme. Mrs Laiacona would like that social inclusion remains eligible post 2027. She also mentioned that it was sometimes difficult to find a partner addressing an Investment for jobs and growth goal programme.

04. Updated rules of procedure

JS presented the amendments made to the Monitoring Committee rules of procedure to include the 7 EU candidate countries.

Discussion:

DE asked the reason why Monitoring Committee meetings were planned after the year 2030. **JS** explained that the Programme closure was expected in 2031 and that the objective was to include all Partner States' presidencies in the document.

PL asked whether a decision on rules of procedure could be made considering that the second amendment of the cooperation programme is not approved by the EC and one agreement is not yet signed. **MA** responded that the signature of the agreement signing is imminent, reassurances were provided during the meeting and no delays are expected. In addition, the programme extension to 7 EU candidate countries was approved already in the first step of amendment of the cooperation programme, approved by the EC in December 2023. **EC** and **JS** confirmed that the geographical coverage issues were resolved already with the first programme amendment, which allows the 7PS to participate already in the MC. But no funds would be paid until all agreements are signed, the second programme amendment is approved by the EC and the financing agreements with the EC and MA are signed.

Decision:

The amended Monitoring Committee rules of procedure were approved. (annex 06)

05. Call for proposals

5.1 Restricted call for 1st and 2nd call projects: provisional overview + approval of applications received and assessed so far

5.2 Third call update

JS presented the overview of the restricted call (annex 07) and gave an update of the situation of the 3rd call (annex 08). Regarding the restricted call, the JS asked whether the MC was also ready to approve the applications recommended for approval and sent out by the JS in a MC written procedure the previous week (in addition to those applications sent out as part of the MC supporting documents).

Discussion:

BE asked if there was a project with a LP from Wallonia in the projects who applied to the restricted call in the second batch. **JS** confirmed that there was no Walloon LP in the second batch.

AT asked what happens if partners were found ineligible. **JS** explained that the project would have the possibility to introduce a new partner to replace the ineligible one.

FI asked to confirm that the ineligibility of a new partner would not lead to the ineligibility of the request for change. **JS** confirmed that this would not lead to the ineligibility of the request for change.

NL asked if there would be a fourth call after the approval of the restricted call and 3rd call. **JS** answered that it is too early and that it would only be able to give this information in December.

Decision:

The 2 batches of 34 restricted call's applications were approved (annex 09).

06. Interreg Europe Portal – latest developments

JS presented the latest developments in the programme's online monitoring system 'Portal' (annex 10).

Discussion:

BA inquired about workshops or meetings for training national controllers. **JS** will send an email to new Partner States with information, tools, tutorials, templates and an invitation to the Training Days in Lille in September 2024. A specific meeting for national controllers from new countries will be organised during these Training Days. **JS** also clarified that there is no written manual for the Portal, but video tutorials and guidance are available on the programme's website and integrated into the Portal.

CZ asked if Partner States could see when the joint Progress Report is submitted and checked by the JS. **JS** replied that Partner States do not have access yet but would be granted soon.

RO asked if the September meeting would be hybrid. **JS** replied that the meeting is specifically for new Partner States, but RO controller could attend. The Training days are in principle in person, but JS will check if a hybrid format and/or recording is possible for the meeting with controllers.

SI noted that the email generation function is very useful but pointed out that national controllers do not have access. **JS** confirmed that the function would be made available to them.

07. Update on communication plan 2024

JS presented the update on the communication plan 2024 and some upcoming activities in 2025 (annex 11).

Discussion:

FI asked for additional tool(s) for applicants on how to identify instruments with specific examples. This would help applicants who are not policy authorities. **JS** replied that there are several tools on this topic already (training, seminar, video) and that applicants are advised to look also at the policy instruments of existing projects.

DE asked about the information on satisfaction in the supporting document (baseline for evaluations, how many people responded) and **JS** replied that this information is available in the supporting document. **DE** also shared their positive experience organising several regional conferences to get more German partners in projects.

08. Policy Learning Platform update

JS presented the update on the Policy Learning Platform activities (annex 12).

Discussion:

EE thanked about the Platform information even and for the Platform team's professionalism.

EE and **NO** asked to be included in the information loop for special meetings and/ or events involving the Partner States, especially the meeting among regions bordering with Russia and Belarus.

EC informed the MC that there are many initiatives addressing similar issues on the border and asked to keep all parties informed. **JS** confirmed that all interested parties would be in the loop and that next steps involve an online meeting after the summer and an on-site meeting at the end of the year. It was also confirmed that regions form

the Baltic countries are involved, and the Platform team is currently looking for the relevant organisations to participate.

NO also asked for information on the event on waste for Norwegian institution organised by the Platform in early April and **JS** confirmed to send the information.

BA asked for information on how to promote the Platform in the new Partner States and **JS** replied that promotional material is available, and a targeted event could be organised. A training for the newcomers about the programme communication would be soon proposed.

09. Finance update

JS presented the update on national contributions and audit (annex 13).

JS thanked **LU**, **DE** and **PT** who completed the payment since the sending of the supporting documents and invited all representatives to check to see if the payment for their country was complete. **JS** also reminded the Partner States of the TA lump sum contribution for programme activities carried out by the PS and invited them to send requests for reimbursement for the info days already organised.

JS then announced that the audit tender was closed and EY was selected. It was clear from the comparison of the 3 offers that EY was the only tenderer offering specialised auditors teams in all of the Interreg Europe countries. The audits will start in November 2025 with the system audit, and then in summer of 2025 the first audits of operations will be carried out.

Discussion:

FI asked about the benefit of the 2nd level audits and why they are carried out by an external company. **CZ** pointed out that with the common Interreg sample the audit of operations was supposed to be easier and less frequent and wondered if this had any impact on the amount of the audit contract awarded. **JS** explained that 2nd level audits were a regulatory requirement and encouraged a discussion on the number of control / audit levels for the post 2027 brainstorming. As for externalising the audit, it is a good practice Interreg Europe has been applying to ensure timely and efficient audits in a very tight regulatory annual audit calendar. Regarding the audit contract, **JS** explained that the amount was lowered in comparison to the previous contract and because of uncertainty on how the common sample would work, a budget margin was kept. However, EY is charging only for the checks / work carried out.

10. Ex-post evaluation 2014-2020

JS presented the results of the ex-post evaluation for the period 2014-2020 (annex 14)

Discussion:

FI supported the removal of self-defined indicators, the value of storytelling and the complexity of demonstrating territorial effects. **FI** also appreciated that the programme's capacity to improve policies was clearly demonstrated. **JS** confirmed that the last annex of the ex-post evaluation provide 4 concrete examples of policy improvements with a storytelling approach. Additionally, there was a programme publication with 30 stories from the 2014-2020 period highlighting more examples of policy improvements. All the 1,283 policy improvements are also available online at the results pages.

DE asked how the partners were selected for the interviews with the evaluators. **JS** clarified that the selection was done jointly with the experts based on the input from the survey. It took into consideration a balanced representation of the countries and the more and less developed regions. 22 partners were finally selected.

PT proposed to take into consideration the evaluation's results in programme communication in particular for promoting the benefits and results from the Policy Learning Platform. Indeed, the benefits from the Platform can be sometimes difficult to understand. **JS** explained that, in line with the programme's intervention logic, the expectations for the Platform cannot be compared to that for projects. Considering the time, intensity of cooperation and resources involved, the achievement of policy improvements is much rarer for the Platform. In the publication dedicated to the Platform's peer reviews, concrete examples and benefits are presented. Still communication requires a mindset change to consider the programme not only as a funding mechanism, but also as a provider of policy learning service for solving challenges.

DK asked if there were any finding from the evaluation that could contribute to the post 2027 discussion and in particular the performance based approach. **JS** answered that this was not the case. However, as the programme is very prescriptive in its interventions, moving towards a performance based approach may be easier than in other ETC programmes.

EC confirmed that the programme has very valuable results and needs more impactful communication to reach out to key stakeholders beyond the cooperation world, to newcomers who can exploit this knowledge and save resources in not reinventing existing solutions. This requires going beyond promotion through websites and actively involving the national and regional authorities.

MA added that, as a region managing mainstream programmes, they really saw the unique benefits of interregional cooperation. Through peer reviews or projects, regions can find new solutions for their mainstream policies and be more efficient in addressing regional challenges.

CoR agreed on the importance to convince those who are not cooperation-minded, by using clear and simple messages, in particular for influencing the future of the cohesion policy. The CoR opinion about the future of Interreg was launched this year with the conference in Šibenik (HR). Mr Karsten Petersen (DK) is the rapporteur supported by the MC representative Michael Koch-Larsen. The CoR underlined that Interreg significantly contributes to strengthening territorial cohesion and enhancing growth. Regions engaging in interregional cooperation are more likely to have higher economic growth.

RO pointed out that, for more effective communication at national level, more budget, relevant examples and performance indicators for national point of contacts are needed.

11. Timeline

JS presented the timeline and next milestones for the second half of 2024 (annex 15).

12. Any other Business

JS presented an update on 2014-2020 programme closure (annex 16) and announced the launch of two written procedures for decision of the 2014-2020 MC soon (TA actual expenditure 2023 + non-substantial change of the financing plan to benefit from the 100% financing option for the last accounting year given by the STEP regulation).

13. Post 2027 discussion – state of play

EC started by outlining that the discussions on post 2027 were impacted by the current context:

1. general and geopolitical context in recent years: migration crises, COVID-19, the Russia's war of aggression against Ukraine, cyber threats;

2. financial context: the need to repay COVID-19 recovery funds, which strains the budget, potential enlargement by 2030 could affect financial distributions;
3. institutional context: upcoming European Parliament elections and a new Commission President (+ College);
4. cohesion under pressure: the Recovery and Resilience Facility (RRF) challenges the traditional functioning of Cohesion policy by emphasizing performance-based spending. Some are looking to merge various EU funds into a single economic development fund, which could have significant regulatory and administrative implications.

Discussion:

Chair inquired about the Multiannual financial framework (MFF) timeline and sectoral regulations and also noted the reluctance of some Member States towards the RRF and the challenges in its implementation.

EC mentioned possible delays in the new EC college's start date which would have significant implications on the timeline.

RO emphasised the need for clear guidance from DG REGIO and personal influence in engaging stakeholders. Unlike mainstream programmes focused on tangible outcomes, Interreg prioritises cooperation and partnership whose impact can be challenging to measure.

DK mentioned that CoR is drafting an opinion on the future of Interreg, due in November, which will influence the EC's approach based on input from local and regional authorities.

FI asked about the conflict between the RRF and cohesion policy. **BE** noted the inevitability of RRF influencing cohesion policy and the need to align it with Interreg's reality. **EC** replied that, six months ago, RRF was perceived as a good solution for faster spending, but that complexities such as frequent modifications and control issues, have now emerged. To be successful, cohesion policy needs to be reformed to embrace faster and more regular fund disbursements, and better communicate Interreg's value to broader audiences, including capital cities and ministries.

CoR explained that cohesion policy is under threat and emphasised returning to its foundational principles, advocating for shared management, multi-level governance, and partnership. For the future of Interreg, reforms and a reaffirmation of its added value at national and political levels are necessary, while ensuring the "do no harm to cohesion" principle is applied across all EU policies.

PT suggested that, to enhance visibility and importance, Interreg programs should be embedded more clearly in national strategies, ensuring that their value and results are recognised and integrated into broader national and regional plans.

EC replied that, in this programming period, Interreg is ahead of mainstream programmes in terms of commitments and spending, thanks to better and faster preparation by the Commission. This demonstrates Interreg's efficiency and stability, countering the perception that it is overly complicated and difficult to understand.

RO explained that mainstream programmes focused on infrastructure often lack partnership and human cohesion. Interreg, with its emphasis on collaboration and problem-solving on the ground, highlights the importance of spirit and human abilities over mere funding, aiming to change mindsets, a benefit that is difficult to measure.

CY also highlighted the challenge and complexity of setting milestones in a cooperation program with 36 member states, emphasizing that the true value lies in the networks and regional impacts these programs foster. Also reminded that milestones are set at Member State level.

JS asked if there were any concerns about Interreg Europe besides spending. **EC** said there are no current criticisms due to better visibility and engagement.

MA asked a calendar for the lobbying, reminded the importance of collaboration for the future of Interreg Europe and thanked the contributions from PS, CoR, and EC.

JS presented the post-2027 state of play (annex 17).

NO supported the current rationale of Interreg Europe as a capacity building and policy learning programme through exchange of experience and transfer of good practices. **NO** also mentioned that the Ministry had started a preliminary paper where they want to strengthen interregional cooperation and the links of the projects to regional and local strategies. The lack of focus on these strategies is considered as weakness for the cross border and transnational programmes. Also, the Platform could play important role as a mechanism to capitalise on results of other strands. North Sea and Baltic Sea programmes start developing capitalisation exercises. **JS** reminded that the capitalisation on cross border and transnational cooperation practices is in principle the role of Interact, while Interreg Europe capitalises on more 'traditional' regional development policies.

RO has also confirmed that the programme is performing well and needs only few improvements. The policy exchange could be continued after the projects and some small-scale funding through the Platform could upscale significantly the results of the projects and support the beneficiaries to influence the policy at national and even European level.

AT and **RO** requested to schedule the possibility for brainstorming as there is so much expertise in this programme that could benefit all the PS representatives, who are sitting also in other strands and European programme committees. Based on the exchanges, **JS** identified 2 levels of brainstorming: one on operational issues related to the possible features of the future programme and another one on more strategic elements dealing with the RRF context. In any case, the report on the post 2027 consultation will have to be submitted to the EC at the latest by the end of year. **JS** will make a proposal after the meeting on how to organise this brainstorming. An idea would be to invite the General Director to join the new MC meeting.

BE pointed out the need to evaluate the added value of the performance-based approach for the programme considering the risk of administrative burdens and challenges with data collection and common indicators as experienced with the RRF implementation. Performance indicators as conditions for payments may jeopardize the entire project if one partner fails to meet the targets. Interreg Europe relies more on qualitative indicators, making performance-based measurements complex, because performance-based models work better with quantitative indicators, which are less open to interpretation. The proposal for prefinancing is welcomed, especially for public administrations with budget constraints, facilitating their involvement in projects. Emphasizing capacity building is crucial as it leads to long-term policy changes. This aspect, though difficult to measure, should be a focus for future program improvements. **JS** reminded that the programme has a very robust indicator system that may easily comply with a performance-based approach (e.g., good practices identified, number of policy learning events organised, number of institutions involved).

CY shared that the RRF implementation in their country entailed big administrative burden and many control systems. Additionally, the cash flow timeline was long due to the slow payment process by EC and expenses had to be covered by the Government. These issues raise concerns about implementing a similar approach to a Programme with 36 countries. Country particularities have to be considered when applying national rules to European programmes. **FI** and **RO** also confirmed that this could lead to more complexity and that there is a need to simplify accordingly the legal requirements at national levels.

EC concluded that there are good arguments to keep Interreg programme in the future (e.g., low error rate and efficient implementation mechanisms). If the regulation does not regulate the flow between the programme and the beneficiaries, the Managing Authorities could have more responsibility and flexibility.