

**Macro Regional Strategies in the ESI Operational Programmes 2014-2020
– proposal for a Transnational Cooperation Component to support the implementation of the
EU Strategy for the Baltic Sea Region - EUSBSR**

I. Basis for the proposal

In accordance with Article 27.3 of Regulation 1303/2013 (common provisions regulation, CPR) on European Structural and Investment Funds (ESIF), all concerned operational programmes shall describe the contribution of the planned interventions towards macro regional strategies. This would in most cases, but not all, mean that they should include cooperation with actors outside the own programme area in order to have a macro regional impact. How to support cooperation from mainstream programmes is therefore an important issue in order to fulfill the intentions of article 27.3 of CPR.

The process of establishing the EUSBSR and the first years of implementation have involved an impressive amount of actors committed to contributing to the Strategy and its objectives. The Action Plan outlines the most important joint challenges for the region to focus on. Therefore, the aim should be that many more actors see the need to take the macro regional context into account already when drafting their projects and thus integrates transnational cooperation in the project application to a mainstream programme.

There are a number of ways that the programmes could include cooperation activities¹. The preferred integrated approach is outlined as “Procedure A” below. This will most probably be used by experienced project applicants and within areas where there is a relatively high awareness of the macro regional cooperation and the EUSBSR Action Plan. A key issue will therefore be to continue to raise awareness among potential project applicants. *However*, in order to facilitate the inclusion of macro regional cooperation in a wider range of projects, Sweden will also include a flexible mechanism that allows for cooperation *between already approved projects* in the mainstream programmes, “Procedure B” below.

This alternative procedure will be a possibility for already approved projects to apply for an additional “cooperation package” as a separate add-on to the original project. This possibility will target projects in line with the EUSBSR Action Plan, which did not integrate transnational cooperation in the original application. We believe that targeting already approved projects have several benefits: we target projects that are clearly prioritized with strong regional support, projects that have had time to establish a project organization and thereby well prepared to take the step to include a transnational cooperation component. The target group is also clearly defined and easily reached with information about this complementary possibility. In all we believe this procedure will make cooperation in mainstream projects *more visible*, especially to actors previously less aware of the macro regional approach and the Action Plan.

“Procedure B” will also constitute a flexible administrative process, and thereby more *accessible*. The projects apply separately to their respective OP for the additional cooperation component. They apply for their part of the cooperation activities, without any condition to await corresponding financing decisions in partners’ programmes, even though such financing is of course desirable. Thus, there is no need for synchronized calls and decision processes between different Managing Authorities. However, some level of dialogue between Managing Authorities concerned will be called for in order not to have too much time lag between decisions in programmes concerned by the same cooperation activity. The cooperation part will probably mostly consist in activities outside of the programme area, thus referring to CPR Art 70.2 and the possibility to use 15% of the programme budget to such activities. Since the cooperation component is handled separately from the main project, problems or delays related to the cooperation part will not jeopardize the main project.

Please find under ‘Procedure B’ and ‘Q&A’ below outlined more in detail how such a mechanism can be designed.

¹ For more information on cooperation models, see Roggeri, “How to deal with cooperation in implementation instruments, 2013.

II. Two types of procedures

- Procedure A – cooperation integrated in main project from the start

The project includes cooperation as an integral part in the project design. This is promoted by specific selection criteria/additional points and possibly by targeted calls for proposals. Prioritized areas could already be identified in the programme documents to raise awareness and to facilitate applications. There is need for a certain extent of synchronization between programmes on calls and/or themes, since whole projects risk delay if there is a considerable time lag between decisions in different programmes, even when the cooperation is just a minor part of the project. *That is where a 'Procedure B' outlined below could complement by offering a flexible alternative.*

- Procedure B – adding a Transnational Cooperation Component to approved projects

The Operational Programme offers already approved projects a possibility to apply for an additional cooperation package, a so called Transnational Component. The Transnational Component is applied for in a separate application. The beneficiaries have had time and opportunity to develop the main project and to find partners in another Baltic Sea Region country working on the same topics and that will achieve an added value by cooperating. The transnational cooperation component should be seen as a further development of already existing projects. In order to encourage the projects to develop such cooperation, different kinds of support could be offered by the MA depending on capacity, e.g. contacts and information shared among MA's and/or higher co-financing rate, or more hands-on support such as partner search or analytical support on potential added value of cooperation.

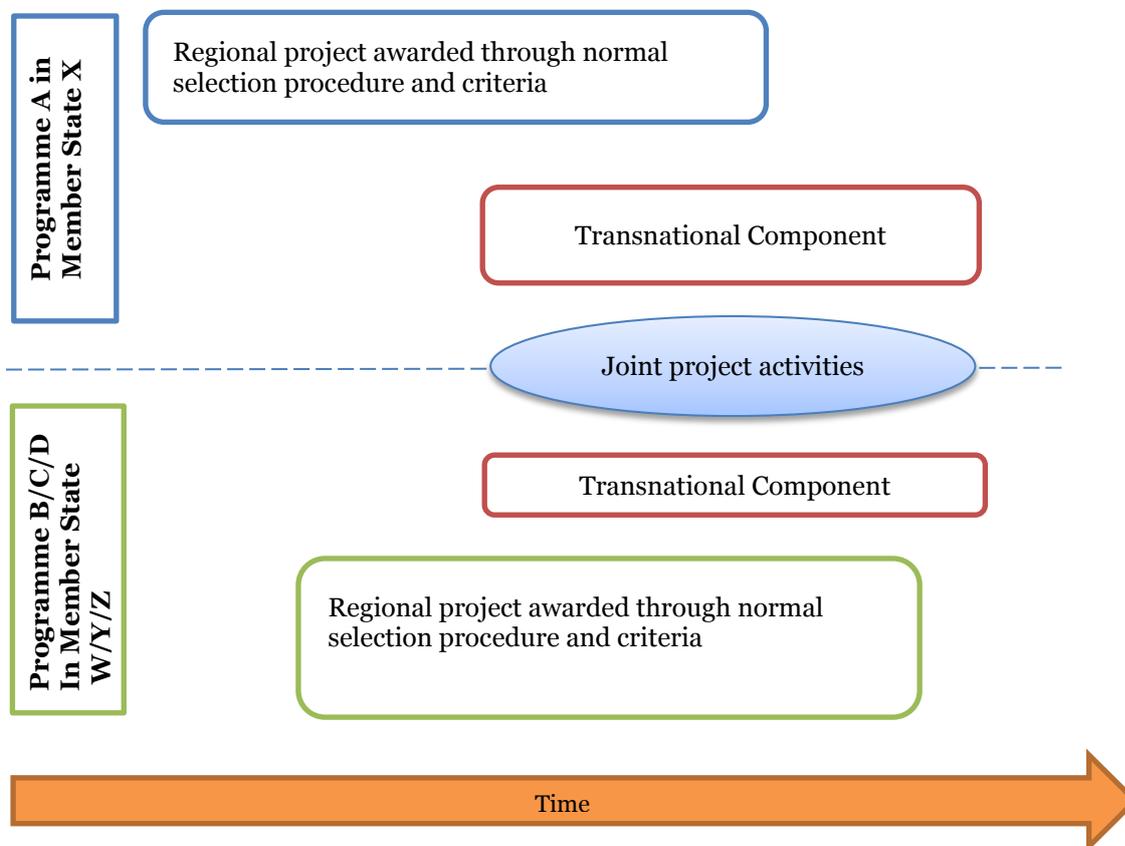
Detailed application of Procedure B – Transnational Component

1. An ongoing project in programme A in one member state wants to cooperate with an ongoing project in programme B (C, D, etc.) in another member state. The cooperation can be either **bilateral** between projects from two programmes **or multilateral** between projects from several programmes. The projects can be from different ESI funds, ie ERDF and ESF.
2. Each partner project prepares a separate application and applies to their respective OP for **additional funding** to cover their respective costs related to cooperation, such as travel, staff costs etc. (see further in Q&A)
3. The model can be used under the different selection systems applied in the programmes, but **very frequent or always open calls for the cooperation component is recommended**. Since the main projects are up and running, time lag between decisions in the different programmes does not hinder any other work in the main projects.
4. The regulation allows for expenditure outside the programme area as long as it benefits the own programme area. Each programme takes a separate decision to fund the transnational component. Some consultations between the funding programmes will be necessary, but more advanced and possibly problematic joint decision-making or pooling of resources between MA's can be avoided.
5. By basing the cooperation on already approved projects in the programmes **the relevance of the projects for the programme objectives is guaranteed**.

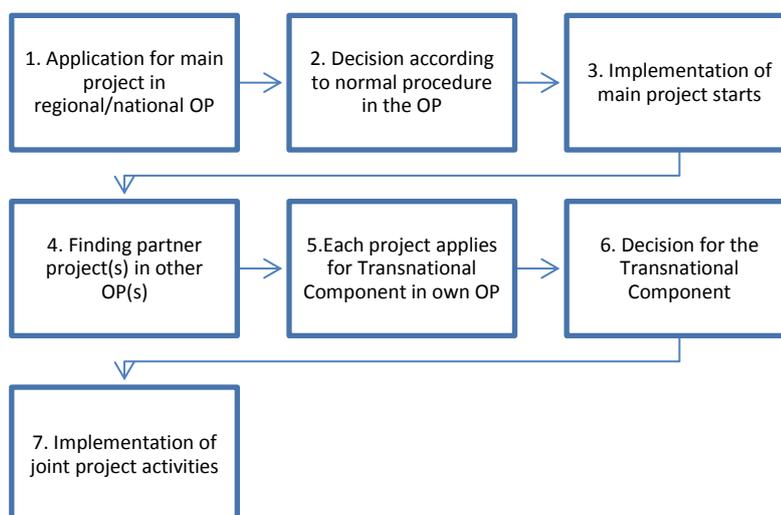
This approach opens up for the flexibility needed during the programme period by providing a system that allows for cooperation between all projects where transnational cooperation would bring added value. The aim is to make this possibility more accessible and thereby more commonly used in order to support the implementation of the EUSBSR and to achieve the intentions behind article 27.3 of CPR.

We therefore invite you to consider this proposal and to discuss any questions or problems that you might have. **The success of the proposal will only be achieved if many programmes in the macro region introduce the Transnational Component procedure in their OP.**

Overview of the process of Procedure B



Steps of the application procedure of Procedure B



*** *Why place the cooperation in a separate project?***

Treating the transnational component as a separate project brings three main benefits.

1. Firstly, by basing the transnational cooperation on an already decided project, the legitimacy and relevance of the cooperation activities for the programme/region is ensured.
2. By handling the transnational activities in a separate project any problems related to audit, etc can be sandboxed from the main project and lessens the risk of a high error rate for the programme.
3. A separate type of project for transnational cooperation would significantly facilitate the monitoring and reporting of the ESI funds contribution to the macro regional strategies.

*** *Can you cooperate between the different funds as well, i.e. ESF and ERDF?***

Yes, see common provision Art 98.

*** *What about eligibility of activities outside the programme area?***

Costs can occur outside the programme area as long as they benefit the own programme, in accordance with the common provisions 70.2.

*** *What joint project activities do we foresee?***

The activities could for instance be meetings, conferences, staff exchange, study tours and other types of mutual learning and exchanges of knowledge between the projects. Another example could be joint funding of equipment in a research facility that can be used by beneficiaries from two programmes. There could of course also be cases where the joint activities are more focused on actual implementation.

*** *What are the roles of the MA vs the projects***

By using the transnational component approach the task of finding cooperation partners is put on the projects, using their networks and contacts. There are already a large number of networks in the region, formal and informal that can be used to this end. The networks are in many cases based on the thousands of Interreg cooperation projects that have been implemented in the macro region.

The MA still needs to actively promote the possibility to work transnationally in the programmes. There also needs to be some contact and sharing of information between the involved MA's during the decision process, but no joint decisions are needed.

If you have any questions about the concepts outlined in this paper or how Sweden plans to integrate the EUSBSR in the ESI funds, please contact ulf.savback@tillvaxtverket.se or bjorne.hegefeldt@tillvaxtverket.se