

SUMMARY OF CONCLUSIONS

2nd Technical Meeting on Programming 2021-2027
With participation of MA, NA and JS representatives
Gyula (Hungary), on March 3rd, 2020

OBJECTIVE OF THE MEETING:

The Technical Meeting was called by the MA of 2014-2020, in the context of programming process for 2021-2027 period, in order to discuss on the technicalities and other important aspects related to elaboration of the new *cooperation programme document*.

The following subjects were discussed during the Technical Meeting:

1. Outcome of the consultation process at local level and consultations on Policy Objectives to be selected for financing
2. Simplified Cost Options in the context of the new programming period
3. Opportunity to use Small Project Funds in the future Interreg programme between Romania and Hungary, for the period 2021-2027
4. Strategic project ideas and methods to effectively integrate them in the future cooperation programme

1. Policy Objectives and Interreg specific objectives

A short introduction on the results of the 3 local-level wide public consultations, conducted on both sides of the RoHu border (bilateral workshops in 2019, on-line survey in January 2020 and thematic workshops in February 2020) was made. Main outcomes presented were the following:

- ✓ More than 500 persons, representatives of RO and HU institutions and organizations, were involved in the consultation process, either in the context of workshops organized, or online
- ✓ Majority of respondents are interested in applying for funding under future cooperation programme and most of them already have a projects idea and a potential cross-border partner identified
- ✓ Most of respondents are interested in developing projects with medium to large budgets (most of the estimated budgets ranked around 500.000 euro or above)
- ✓ Participants responded well to all 5 policy objectives, yet PO4 - a more social Europe gained the highest interest, especially in what concerns

investments in the healthcare infrastructure and services. Also, PO2 – a greener Europe is of very high interest among potential applicants in the eligible area.

In reaction, HU emphasised that besides the informal consultation exercises conducted so far which rather considered awareness-raising events and representation was not balanced, we still need the professional expert team conducting the planning process. Besides that there are other relevant sources of information to consider, such as the result of the national consultations in HU which was presented last November at PC meeting namely, the first position paper from HU.

RO underlined that health-care investments within PO4 were identified as first priority for Romania, also confirmed by HU (potential) beneficiaries, as it came out of the several round of consultations so far and based on the high interest demonstrated during the current programme. According to first position, HU shows interest in green topic, in economic development and tourism, cultural heritage, which might be also be supported within PO5. Planning and implementation of PO5 still unclear, negotiations ongoing.

With regards to the preferred Interreg Specific Indicator, both parties agreed that Better Governance would serve the region the best, emphasising the capacity building component that might be considered under this ISO.

Emphasizing the necessity of a constructive dialogue and that of an efficient programming process, MA proposed that the selection of the POs for the future programme should be based on results of the public consultations at local/county/regional level, the feedback received from the current beneficiaries of the RO-HU Programme with regards to their interest in developing projects capitalizing on already achieved results, as well as the position expressed during national consultations.

Public procurement launched, deadline 4 March, ensuring the availability of expert team is of outmost importance in planning exercise for the programme.

Health care is identified by RO as high priority, while HU has the initial standpoint as mentioned above.

Conclusion:

1. Based on consultations conducted so far, the PO2 is an option in both MSs, which is also mandatory according to draft EU Regulation.
2. ISO – a better governance is important for both MSs, which enables to finance project of limited budget.

3. Health-care investments, within PO4, are identified as the highest priority for the RO
4. Economic development and tourism, as well as cultural heritage, within PO5, are priorities for HU.

2. Simplified Cost Options in the context of the new programming period

Given the tight programming schedule and the multiple complex tasks that need to be achieved in order to be able to submit the future programme document to the COM, MA proposed a simplified approach (e.g. Guides for Applicants should be developed and publicly consulted in parallel with elaboration of the future programme, with respect to the lessons learned) with regards to programming, including in selecting the simplified cost options to be used.

In this regard, a supporting document on available options for SCOs was provided, including general aspects relevant for the subject, description and pros/cons for each category of simplified cost and possibilities to be integrated in the future programme. The document is based on a brief analysis of the historical data available in eMS for the current period (eligible costs, further analysis being necessary based on certified costs)

HU proposed as simply as possible, to erase most of the administrative burden on implementation (even not off-the-shelf, but by method, e.g. preparation cost, closure cost, communication, meetings, etc. to be justified with method (historical data, price offers)¹. HU highlighted the advantage of SCO for SPF according to current draft regulation.

Brief discussions on the available options were conducted. According to the draft regulations, several options are possible, both projects and Programme level conditioned by development of dedicated methodologies (except for the off-the-shelf options) and different ex-ante approvals (only applicable to Programme level, regarding reimbursement between COM and MS based on SCOs). However, the final draft regulation will further clarify the options, as well as the implementation methods.

With regard to the Programme level, it was agreed that development of such complex methodologies, as well as obtaining the AA ex-ante confirmation could generate delays in drafting the programme, which means the no simplified option would be chosen when submitting payment claim. (If HU on other border

¹ For this reason HU made a small procurement to identify those possibilities and make the methodology collect evidence, etc. The results could be made available for the external consultants working on programming.

section considers this approach relevant, can share method and document for this border section, if elaborated one.)

At projects level, considering the specifics of the RO-HU eligible area, as well as the capacity of the potential beneficiaries and with respect to the national legislative frameworks, the best technical approach is to use the *off-the-shelf method and to save other options for later, based on professional analysis to be conducted*.

Conclusion: The off-the-shelf simplified cost options are to be used by the future programme, based on further analysis regarding the appropriate percentages to be integrated. Also, as the analysis of all simplified cost options is to be developed under the external services contract for programming, the consultants will be required to address other available options, specifically the use of unit cost option (in case of events, to start with) and lump-sum (in case of preparation costs at first and to consider applying it also for closure costs). Therefore, the programme is open for further possibilities to provide as much flexibility as possible, conditioned by anticipated level of efficiency and effectiveness.

3. Opportunity to use Small Project Funds in the future Interreg programme between Romania and Hungary, for the period 2021-2027

The discussions were conducted with respect to the opportunities to use this instrument, so that all related advantages are integrated, while also preventing any risks.

MA clarified that RO is not in favor of SPF instrument, but to support small-size budget projects, preferably under ISO 1, by analogy with current Ip 11/b1. RO conditioned that they are directly managed by the Managing Authority.

HU also agrees to support small size projects which is for the benefit of the border region but would also like to have SPF with real simplification effect, EU negotiation is still ongoing, rules on management is not clear.

As the text of the regulation is not yet final, further analysis will be conducted concerning the implementation mechanism, with regards to the size of the budgets and other eligibility criteria (e.g. strict list of eligible activities) are to be further discussed and decided, also taking into account any simplification methods, as provided by the draft regulation (not yet agreed upon).

Conclusion:

1. Small size budgets projects would be good to be supported by the future programme, in the context of the ISO – a better governance.

4. Strategic project ideas and methods to effectively integrate them in the future INTERREG programme

The handling of strategic project ideas in the context of new programme should be based on lessons learnt.

2 possible scenarios were presented by the MA and discussed:

A possibility is not to integrate any strategic projects into the future programme. The entire ERDF allocation will be made available for projects covering a wide range of necessary budgets, from 200.000 to 6.000.000 euro. There would only be one OPEN call for proposal, launched immediately after the programme is approved. In order to enhance the process and to make sure all available allocation is committed, continuous submission should be possible.

The other possible approach is to have such projects listed in the programme conditioned by a certain level of maturity and the proof of a relevant level of representation and legal competence. If listed in the programme, no call for proposal would be needed, once the programme is approved, invitation/notification could be sent out. Even it should be considered not to wait for adoption of the programme, but starting procedure before adoption with condition.

According to RO they could be identified by the 2 MSs based on national consultations, conditioned by few agreed criteria. The projects will have to address major challenges of the eligible area and to prove significant impact, on large number of populations.

HU and RO discussed that the strategic projects might be listed in the future programme, conditioned by their preparedness.

RO practice that at least Feasibility Study should be available, in HU generally building permit is requested for signing the subsidy contract.

Option was brought up that they could start the execution phase immediately after the programme is approved by the COM or even before with condition.

Conclusion: The strategic projects might be identified in the Cooperation Programme, further discussion is needed, but preparedness of project idea is very important for proper implementation, and they could start at the very beginning.

5. General Conclusions

The technical meeting was quite productive and generated ideas and possibilities on how to proceed with the programming exercise. Conclusions were reached upon all aspects on the agenda and future actions were foreseen for the programming calendar, which will be therefore updated accordingly.

Formal agreement on the PO selection scenario should be reached by July 2020 within the Programming Committee, conditioned by completion of the strategic territorial analysis, to be performed by external experts (procurement for the external expertise, currently under evaluation).