

3rd meeting of the Programming Committee (PC) of Kolarctic 2021-2027 Programme

Date and time: Monday, 30 November, 2020 at 10.00 – 14.13 (Finnish time)

Location: Teams meeting hosted by the Kolarctic CBC 2014-2020 MA

Language: English

Present:

Members and Deputy Members of the Committee:

- | | |
|-----------------------------------|--------------------------------------|
| (x) Tuulia Väliheikki | (x) Helinä Yli-Knuutila (left 12.11) |
| (x) Jatta Jämsén (joined 10.15) | () Toivo Martikainen |
| (x) Päivi Ekdahl (left 14.00) | () Mervi Nikander |
| (x) Timo Jokelainen (left 14.00) | () Jaakko Ylinampa |
| (x) Lisbeth Nylund | (x) Jan Edøy (joined 10.20) |
| (x) Snøfrid Emterud | () Marte Lauvhjell |
| (x) Natalia Z. Karlsen | (x) Silje Dalehaug |
| (x) Gunnhild Aasmoe (join. 10.34) | (x) Eilen W B Zakariassen |
| (x) Vsevolod Vovchenko | (x) Alla Agapova |
| (x) Igor Kapyrin | (x) Denis Moskalenko |
| (x) Ilya Ostapchuk | () Olga Yumatova |
| (x) Sergey Kungurtsev | () Natalia Lysak |
| (x) Elena Demidova | () Maria Kropacheva |
| (x) Isabella Palomba Rydén | () Maria M Eriksson |
| () Bror Martin Karlsson | () Kasper Andersson |
| (x) Ylva Sardén | |
| (x) Susanne Friberg | () Anna Degerman |

Kolarctic CBC 2014-2020 Managing Authority:

- (x) Riikka Oittinen
- (x) Marjaana Lahdenranta
- (x) Laura Mäki
- (x) Joonas Holopainen
- (x) Maiju Jolma-Taylor (left 12.30)
- (x) Katri Niska-Honkonen
- (x) Svetlana Peltoperä

Kolarctic CBC 2014-2020 Branch Offices:

- (x) Julia Korshunova
- (x) Olga Klisheva (joined 11.30)
- (x) Linda Mosand
- (x) Jan Martin Solstad
- (x) Marita Thelin

European Commission:

- (x) Simona Pohlova

TESIM:

(x) Iveta Puzo

Other observers:

(x) Maria Astakhova

MINUTES OF THE MEETING

1. Opening of the meeting, identification of those present, approval of the agenda of the meeting

The Chair Vsevolod Vovchenko opened the meeting at 10.04 Finnish time. The participants of the meeting presented themselves and the changes in the list of PC Members and Deputy Members were presented.

Decision:

Participants of the meeting were notified and quorum was established. Changes in the list of PC Members and Deputy Members were noted. The meeting agenda was approved.

2. State of play of the programming process

Simona Pohlova gave an overview on the status of the preparation of EU regulation and the Financing Agreement between European Commission and the Russian Federation, and update information on the financial framework.

Multi-annual Financial Framework and Legal Framework are under discussion in the Commission. The Commission has informed the Member States the amount of financing on country level. Legal acts can be adopted by the EC after the Member States have made decisions on distribution of funding between different programmes. NDICI Regulation is expected to be adopted by the EC by the end of the first quarter 2021. Technical discussions on the Interreg Regulation are nearly over, the contents of the Regulation is expected to be adopted by the end of year 2020 and the final regulation with all the language versions by the end of the first quarter 2021. Percentage of financing to be allocated to the POs can be found from the Interreg Regulation.

Riikka Oittinen (MA) presented the status of the Task Force, Strategic Environmental Assessment (SEA), and communication activities related to the new programme period (**Annex 1, slide 2**).

The Task Force has started its work and meets on weekly basis. The outline of the table of contents for the Territorial Analysis is ready for the PC comments. Stakeholder consultations will begin in each region after this PC meeting, the regions can choose the most suitable format for the consultations.

Currently completed programming tasks in the MA include e.g. a subpage with information on programming exercise, published under the website of Kolarctic CBC Programme, and launching the survey on the themes and prioritization of themes (open

until 18th December 2020). The MA has also recruited a part-time coordinator for programming tasks. The new resource is common with Interreg SEFINO, working time divided by 50-50. A tender for Strategic Environmental Assessment (SEA) is launched in cooperation with South-East Finland – Russia CBC and Interreg Central-Baltic programmes for Finnish, Swedish, Norwegian and Estonian programme areas, with the deadline of the 4th of December 2020. A tender for SEA for Russian programme areas is under preparation in cooperation with SEFR CBC Programme.

The workplan and timeline for the programming process is updated (**Annex 2**).

Decision:

Information was noted by the programming Committee. It was decided that an expedited Written Procedure for approval of the outline of the table of contents for the Territorial Analysis will be launched immediately in the days following the meeting.

3. Discussion on the policy objectives (PO) and Interreg Specific Objectives (ISO) to be chosen for the programme

The European Commission offers five Policy Objectives and two Interreg Specific Objectives from which the programmes can choose:

PO1: A smarter Europe and its neighbourhood

PO2: A greener Europe and its neighbourhood

PO3: A more connected Europe and its neighbourhood

PO4: A more social Europe and its neighbourhood

PO5: Europe and its neighbourhood closer to their citizens

ISO1: A better cooperation governance for Europe and its neighbourhood

ISO2: A safer and more secure Europe and its neighbourhood

According to the latest information from the trilogies, for external border programmes PO2 is going to be mandatory, for which, together with a maximum of two other POs, shall be allocated as minimum 60% of ERDF financing altogether. For external border programmes ISOs are not mandatory, though highly recommended by the Commission.

Simona Pohlova (EC) reminded of the importance of concentration when choosing the POs and ISOs. The funds should be invested strategically, not to choose too many priorities and not to create thin layers. The basis for choosing the POs, Specific Objectives, and the ISOs needs to come from the Territorial Analysis, Arctic Strategies and from the stakeholder consultations.

Some Specific Objectives can be covered by different POs. The formulation of the Specific Objective should be saved but the chosen angle/ approach makes it possible to include the same Specific Objective into different POs.

Investments are not encouraged in Interreg programmes, since there are other existing tools for them. PO3 can include investments, preferably small-scale, as the programmes will have relatively small budgets.

Projects under PO5 should be based to local territorial strategies which cover smaller territory than the programme area. Such a strategy can first be created under ISO1, and then implement projects following the strategy under PO5.

Joonas Holopainen (MA) presented the interim results from the open survey on themes and prioritization for the programme period 2021-2027. Laura Mäki (MA) presented themes facing in the future, found in the micro projects from the 4th CfP (**Annex 3**).

Decision:

Information was noted and discussed by the PC. The discussion will continue in the next meeting.

4. Decision on options of supporting projects of limited financial volume (i.e) small projects

Small projects can be financed through few different options:

1. By establishing a Small Project Fund (SPF)
2. Using calls for proposals
 - a. Opening within a call, one line for standard projects and another line for small projects;
 - b. Arranging separate calls targeted to small projects.

Decision:

The programming Committee attaches importance to small projects but does not support SPF. Small projects are preferably selected using calls for proposals.

5. Preliminary discussion on Simplified Cost Options (SCO)

In the Proposal for regulation laying down common provisions, the use of SCOs is mentioned as a particular recommendation for the programmes 2012-2027. They could substantially reduce total administrative costs.

Katri Niska-Honkonen (MA) gave a presentation on SCOs, including flat rate, standard scale of unit cost and lump sums (**Annex 4**).

Simona Pohlova added that the SCOs reduce the work required from project partners and the MA/JS during the project implementation phase. Subsequently, DG REGIO and TESIM will provide additional training on the use of SCOs. Iveta Puzo (TESIM) offered to promote exchange of information between the Northern Cluster Programmes regarding the experiences of the programmes on SCOs.

Decision:

Information was noted by the PC. The additional training and shared experiences on SCOs is welcome.

6. Decision on including the possibility to finance Large Infrastructure Projects (LIPs) from the Programme funds

According to the draft Interreg Regulation, recommendations for the upcoming programming period include enhancing the added value of LIPs. Based on the experience during the programming period 2014-2020 with LIPs within ENI CBC Programmes, the procedures shall be simplified. However, the Commission will retain certain rights concerning the selection of LIPs. LIPs do not have to be included in the programme document, but the indicative list of LIPs has to be submitted to the EC in advance.

Simona Pohlova clarified the boundary conditions set by the EC for LIPs as follows: LIP means a project with an infrastructure component of 2,5 million euros or more. There is no total ceiling for the total budget of the project. It's important to decide well in advance whether to include in the programme a possibility to finance LIPs or not, as well as the type(s) of possible LIPs, to ensure that there will be enough time for their implementation.

LIPs are Interreg operations, which should have as minimum one partner from a Member State and one from the Russian Federation. Cross-border impact has to be proved. There are no limits on who can participate in LIPs as partners, or on the sectors the LIPs represent.

The indicative list of LIPs shall be presented to the EC at the same time with the Financial Agreement. Furthermore, when the first LIP is prepared for the JMC decision, a concept note of the project shall be submitted to the EC two months before sending out the agenda of the JMC meeting.

The PC discussed the need for LIPs in the 2021-2027 programme. There are positive experiences from the current period, but at the same time the exact budget of the upcoming programme is unknown and prioritization will most probably be needed.

Decision:

It was decided that inclusion of the LIPs to the 2021-2027 programme will be decided at future meetings. The Task Force, with the support of the National Authorities if needed, will collect from the regions information on the ideas, needs and preliminary budgets of LIPs.

7. Preliminary discussion on programme management structures

The Programme authorities prescribed in the draft Interreg regulation are as follows:

- managing authority (Art. 17.7, 44, 45)
- audit authority (Art. 17.7, 44, 47)
- joint secretariat; branch office (Art 17.7, 45, 52)
- monitoring committee (Art. 22, 27, 28, 29)

Simona Pohlova gave a presentation on programme management structures (**Annex 5**). Secretariat is a must for Interreg programmes, and it has to include representatives from all participating countries. Branch Offices are allowed and they should be a part of the secretariat. According to the Commission's recommendation, there should not be a

BO located in the Member State, but they are meant to be located in partner countries. Accounting function, making payment requests to the Commission, may be within the MA.

The PC discussed the management structures. It was noted that the current structure works well and the project partners like it. On the other hand, the BOs in the current programmes do not have equal functions with each other, and a joint regulation that would define for the BOs the same functions throughout all the Interreg NEXT programmes was desired.

Decision:

Information was noted by the PC. The discussion will continue. Management structures will be a subject for discussion in the next Coordination Group meeting of Kolarctic, Karelia and SEFR, and it was decided that for that meeting the MAs and BOs will make a list of tasks the BOs have had during the implementation of the current Programme.

8. Preliminary discussion on Programme's name

All the representatives of the participating countries stated that Kolarctic is a well established brand and it should be maintained, and that the issue is to discuss the use of "CBC", "Interreg" or an equivalent common attribute in the name.

Simona Pohlova commented from the viewpoint of the Interreg Regulation that the programme will be named as an Interreg Programme, as all the cross-border-cooperation programmes using EU financing (Interreg Regulation, Art. 17). In the Joint Paper it's proposed to use "NEXT" for the external border programmes: "Kolarctic Interreg NEXT 2021-2027".

Decision:

Information was noted by the PC, the discussion will continue.

9. Coordination with the preparation of other Programmes

Riikka Oittinen gave a presentation on coordination measures (**Annex 1, slide 3**). Kolarctic, Karelia, and SEFR will have their 3rd Coordination Group meeting in February 2021. Tender for Strategic Environmental Assessment (SEA) has been launched in cooperation with Interreg Central Baltic and SEFR for Finnish, Swedish, Norwegian and Estonian programme territories, and is under preparation with SEFR for the Russian programme territory. The Arctic Cooperation and Northern Cluster networks constantly discuss programming issues, common questions and synergies.

Decision:

Information was noted by the PC.

10. Any other business

Further discussion points were not raised.

11. Next meeting

Decision:

The next meeting will be held the 17th of February 2021.

12. Closing of the meeting

The Chair closed the meeting at 14.13 (Finnish time).

Vsevolod Vovchenko
Chair of the meeting
Ministry of Economic Development

Joonas Holopainen
Secretary of the meeting
Kolarctic CBC 2014–2020 MA

List of Annexes:

- Annex 1** Presentation for agenda points 2 and 9 (Riikka)
- Annex 2** Workplan and timeline for the programming process
- Annex 3** Interim results of the open survey and themes of micro projects (Joonas & Laura)
- Annex 4** Simplified Cost Options (Katri)
- Annex 5** Programme bodies for Interreg NEXT (Simona Pohlova)