



**INTERREG South Baltic Programme 2014-2020**

**1<sup>st</sup> call for proposals**

**2 November 2015 – 18 December 2015**

**ANNOUNCEMENT**

VALID FOR 1<sup>ST</sup> CALL ONLY

**Please note: this document is valid ONLY for the 1<sup>st</sup> call for proposals for Interreg South Baltic Programme 2014-2020 (which was opened between 2 November and 18 December 2015. The JS reserves a right to amend document for the next calls).**

## 1. Introduction

With the launch of the 2014-2020 period, the second generation of the South Baltic Programme was started. After its first, in many ways testing generation, the Programme is a well recognized financial instrument for cooperation across the southern shores of the Baltic Sea. The Programme is a part of the Interreg initiative and it is co-financed by the European Regional Development Fund (ERDF).

The main objective of the 2014-2020 South Baltic Programme is "to increase the blue and green growth potential of the South Baltic area through cross-border cooperation".

## 2. Programme area

The eligible area for the Programme consists of regions from five EU countries, which includes the following NUTS III units:

### Eligible area:

**Denmark:** Bornholm, Østsjælland, Vest-og Sydsjælland

**Sweden:** Skåne län, Blekinge län; Kalmar län, Kronobergs län

**Germany:** districts (Landkreise) Nordwestmecklenburg, Rostock, Vorpommern-Rügen, Vorpommern-Greifswald and district-free city (kreisfreie Stadt) of Rostock;

**Poland:** Miasto Szczecin, Szczeciński, Stargardzki, Koszaliński, Słupski, Starogardzki, Gdański, Trójmiejski and Elbląski<sup>1</sup>

**Lithuania:** Klaipėdos apskritis, Tauragės apskritis, Telšių apskritis

In comparison to the period 2007-2013 there are two significant changes to the Programme eligible area. Firstly, there is no division between the core and adjacent territories of the Programme. This means that all included territories are now governed by the same Programme rules. Secondly, due to an administrative reorganisation of districts and district free cities introduced in Mecklenburg-Vorpommern (DE) in 2011, the total area covered by the Programme has been enlarged, with the former district (Landkreis) Güstrow now being a part of the district (Landkreis) Rostock for the programming period 2014-2020.

## 3. Priority Axes, specific objectives and available funding

The total ERDF funding allocated to the South Baltic Programme for the period 2014-2020 is EUR 83 million. The total estimated Programme budget designated for the projects (excluding Technical Assistance) is EUR 78 million (the Technical Assistance budget is not available to the projects as it provides funding for the preparation, management, monitoring, evaluation, information, and control activities of the Programme and is used only by organisations responsible for the above-mentioned tasks).

<sup>1</sup> Following the NUTS revision 2013 in Poland (in force since 1 January 2015) the number of subregions was further increased. From 1 January 2015 subregions in the eligible area of Programme in Poland are as follows: Miasto Szczecin, Szczeciński, Szczecinecko-pyrzycki, Koszaliński, Chojnicki, Słupski, Starogardzki, Gdański, Trójmiejski and Elbląski, whereas the eligible area of the Programme has not been changed.

The ERDF funding is divided between six Programme priorities:		
PRIORITY AXES	Allocation	Share of the Programme budget
<b>PRIORITY AXIS 1 - SME Competitiveness</b>	9 972 000,00	13%
1.1 Internationally active blue and green SMEs	4 986 000,00	6,5%
1.2 Innovative blue and green SMEs	4 986 000,00	6,5%
<b>PRIORITY AXIS 2 - Sustainable use of common resources</b>	39 773 703,00	51%
2.1 Natural and cultural heritage	19 886 852,00	25,5%
2.2 Green technologies	19 886 852,00	25,5%
<b>PRIORITY AXIS 3 - Sustainable transport</b>	15 789 000,00	20%
<b>PRIORITY AXIS 4 - Skilled labour forces</b>	8 310 000,00	11%
<b>PRIORITY AXIS 5 - Improved cooperation capacities</b>	4 155 354,00	5%
<b>TOTAL</b>	<b>78 000 057,00</b>	<b>100%</b>

A comprehensive description of the Programme priorities and its specific objectives are included in the Programme Manual and the Cooperation Programme Document.

As a general rule, activities within the South Baltic Programme should be implemented in the Programme eligible area. In exceptional cases, if for the benefit of the Programme eligible area and the Programme's objectives, some activities may be implemented outside the Programme eligible area or even on the territories of other EU Member States.

For those exceptional cases the EU created a possibility and legal framework under the Art. 20 item 2(b) of regulation No. 1299/2013. This rule, the so called 20% eligibility rule, allows accepting that some project activities are being implemented outside the Programme eligible area. The 20% eligibility rule is monitored at the Programme level.

With reference to the 20% eligibility rule, the following funding is still available in the 1st call for proposals:

The ERDF funding available for carrying out activities outside the eligible area (20% eligibility rule)	EUR 15 600 011,40
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## 4. Who can apply?

In the South Baltic Programme the project partnership can consist of three types of partners:

- lead partner (LP);
- project partner (PP);
- associated partner (AP).

While all types of partners are expected to commit themselves to the delivery of the project, only the first two types of partners can benefit directly from ERDF funding and have to provide their own contribution as a counterpart to the Programme co-financing.

### 4.1 Lead partner

#### Definition of the lead partner

In order to act as a lead partner in the South Baltic Programme project an organisation must have a legal personality and fall into one of the categories:

- national, regional and local authorities;
- bodies governed by public law (as defined in Art 2(1) of Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014). This means any body fulfilling all three conditions:
  - established under public or private law for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character, and
  - having legal personality, and
  - financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or 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.
- associations of one or several regional or local authorities;
- associations of one or several bodies governed by public law;
- European Grouping of Territorial Cooperation (EGTC) (as defined in the Regulation (EC) No 1082/2006 as amended by Regulation (EU) No 1302/2013).

Bodies governed by public law and established under private law fulfilling the conditions listed above can act as lead partner only if their financial and organisational capacities allow that. These may be assessed case by case during the formal assessment of applications. Therefore such organisations, especially NGOs, should be able on short notice to present and provide the JS with three years balance sheets and employment records in order to prove their ability to cover for potential irregularities during project implementation.

In principle to become a lead partner, an organisation has to be located (decisive is the legal address of the organisation) in the South Baltic Programme eligible area. In exceptional cases, where explicitly justified by the project's character, organisations of national or regional level that are located outside the eligible area but have a branch office in the eligible area (e.g. Marshal Office of Warmia-Mazury) may also become lead partners. In such cases it is strongly recommended to contact the JS in advance to confirm eligibility.

## 4.2 Project partner

### Definitions of the project partners

In order to act as a project partner in a South Baltic project an institution must have a legal personality and fall into one of the categories:

- national, regional and local authorities;
- bodies governed by public law (as defined in Art 2(1) of Directive 2014/24/EU);
- other entities established under public or private law operating for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;
- associations of one or several regional or local authorities;
- associations of one or several bodies governed by public law;
- European Grouping of Territorial Cooperation (EGTC) (as defined in the Regulation (EC) No 1082/2006 as amended by Regulation (EU) No 1302/2013).
- SMEs associations and clusters;
- chambers of commerce, trade unions and NGOs.

Following entities may not be financed by the Programme:

- profit-oriented companies of strictly industrial or commercial character, not operating for the purpose of meeting needs in general interest.

In principle to become a project partner, an organisation has to be located (decisive is the legal address of the organisation) in the eligible area of the South Baltic Programme. As a rule, organisations located outside the Programme's eligible area are recommended to be involved in the projects as associated partners. Only in exceptional cases they can act as regular project partners (geographical eligibility of project partners is limited to the EU) and directly benefit from ERDF funding. Applicants coming from the EU Member States may become partners only under special conditions. Potential applicants from other EU Member States are encouraged to contact the JS before applying to get more information on the formal and legal requirements.

One of the implications of such project set-up, involving the project partners from outside Programme area can be a longer clarification and contracting process. Furthermore, such organisations cannot realize small scale or pilot investments on their own area (outside Programme area).

In any case, if a potential applicant is not sure if it can act as a project partner it is strongly recommended to such partners to contact the relevant national authorities and the JS in advance during the preparatory phase of a project development.

## 5. Co-financing rates

Depending on the location, the South Baltic Programme provides different ERDF co-financing rates for organisations participating in projects.

Partners from Poland, Lithuania and Germany can receive up to 85% ERDF co-financing. Partners from Denmark and Sweden can receive up to 75% ERDF co-financing for eligible costs generated within a project approved by the South Baltic Programme. The remaining part of the costs has to be contributed by the partners from their own resources, constituting the national co-financing. This applies also to partners coming from the Programme Member States, but outside the Programme eligible.

For partners coming from EU Member States other than the Programme Member States the applicable ERDF co-financing is maximum 75%.

It must be underlined that co-financing rates for particular project partners may be reduced in case activities are subject to the state aid rules.

## 6. Costs incurred during the project preparation

The eligibility of costs in the South Baltic Programme is time-dependent and relates to the project phases. The Programme offers lump sums for the project preparation costs (no proof in form of financial documents is needed), on condition that the project is approved. The proof of the delivery of the activities covered by the lump sum is submitted and approved project application. The lump sum is the only way to cover preparation costs; real costs cannot be presented and claimed for the reimbursement. The lump sum is granted provided that the project did not receive seed money from the South Baltic Programme (including the seed money facility implemented under the South Baltic Programme 2007 – 2013) or another seed money instrument.

Project applications that are partially based on the seed money project financed by the South Baltic Programme are advised to consult the JS during the project development in order to clarify their eligibility for preparation costs.

## 7. Project start date

The earliest start date of the project can be the day after the end date of the call for proposals. However, before the approval of the project by the Monitoring Committee, all activities are implemented at the project's own risk. At the latest the implementation phase is required to start three months after the decision of the Monitoring Committee. This does not apply to projects on the reserve list. The start date and end date of the project implementation are set in the Application Form, and can be changed during the clarification process.

## 8. Application pack

The documents necessary for application can be found in the application package which may be updated in regards to each call for proposals and will be published on the Programme website - [www.southbaltic.eu](http://www.southbaltic.eu)

Programme documents will not be altered during the call for proposals and project assessment.

The application package consists of:

- call for proposals announcement;
- Programme Manual;
- application form with all required attachments;
- guidelines on filling in and submitting the application form;
- complaint template.

Applicants should make themselves familiar with the draft template of the Subsidy Contract as well as with the draft template of the Partnership Agreement before submitting the application.

Applications have to be filled in English as this is the official and working language of the Programme. Applications submitted in another language will be considered ineligible.

## 9. Submission of applications

The application should be submitted to the JS:

1. by an **e-mail** sent to: [application@southbaltic.eu](mailto:application@southbaltic.eu) until **18 December 2015, 4.00 p. m. CET** at the latest, consisted of:
  - filled-in **application form** in the **Excel** format;
  - readable scan of: **confirmation page** (part of the application form) dully signed and stamped (if applicable);
  - readable **scans** of: **Project partner declarations** (for all project partners, including lead partner) and **Letters of commitment** (for all associated partners), signed and stamped (where applicable);
  - readable **scans** of: **Letter of dedication and support from EUSBSR policy area/ horizontal action coordinator** (if applicable);
  - scans of other attachments (if applicable).
2. by **regular mail** (or courier) to: **Joint Secretariat of the South Baltic Programme**, Al. Grunwaldzka 186, 80-266 Gdansk, Poland, no later than by **18 December 2015** (confirmed by date of post stamp or courier delivery note):
  - **a paper version** of: **confirmation page** (part of the application form), dully signed and stamped (if applicable).

Please note that scans of the Project partner declarations and Letters of commitment are accepted at the application stage. In the case of approval, the originals will have to be submitted to the JS later on during the contracting process. It is, therefore, recommended that the LP collects all original documents already during the preparation of the application.

## 10. Selection and approval of projects

The decision on the selection and approval of project proposals is taken by the Monitoring Committee of the South Baltic Programme. It is based on the results of the formal and the quality assessment, which is carried through by the Joint Secretariat in collaboration with external experts. The Monitoring Committee's decision on the approval of projects submitted under the 1st call for proposals is expected on **27 April 2016**.

## 11. Complaints

In accordance with the Article 74 (3) of the Regulation 1303/2013 the possibility to raise a complaint has been presumed in the programme. Complaints may be lodged if the lead applicant is of opinion that the project assessment did not comply with the assessment procedures laid out in the specific Call for Proposals. The decision related to a complaint is final, binding to all parties and not subject to any further complaint proceedings within the programme. The complaint procedure is without prejudice to any mechanism or process for legal redress at national level, in particular with regard to unsuccessful applicants.

The detailed procedure can be found in the Monitoring Committee Rules of Procedure available at [www.southbaltic.eu](http://www.southbaltic.eu).

## 11. Further information and contacts

Comprehensive information on the South Baltic Programme can be found at the Programme website [www.southbaltic.eu](http://www.southbaltic.eu)

You are also welcome to contact the Joint Secretariat in case of any further questions:

### JOINT SECRETARIAT

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