## The Future of Interreg

The Commission's proposals for the post-2027 period: Continuity and Change





## Change aspects

- Regulatory structure
- Interreg Plan
- Commission approval process
- General and specific objectives
- Cooperation between non-Member States
- Reform dimension
- Performance-based approach

- Fully integrated approach for outermost cooperation strand
- Approach to pre-financing
- Automatic decommitment

## Regulatory Structure

- Continuation with 3 layers of legislation:
- Firstly, horizontal MFF regulations:
  - MFF Regulation (accompanied by political communication)
  - (NEW) Performance framework and budget tracking Regulation (intervention fields, indicators, spending tracking, visibility requirements)
- Secondly, 2 Parliament-Council regulations addressing cohesion and Interreg:
  - NRP Regulation (equivalent of 21-27 CPR)
  - ERDF-Cohesion Fund Regulation (equivalent of 21-27 ERDF-Cohesion Fund Regulation)



## Interreg Plan

- Finally, Commission implementing act(s) the « Interreg Plan »
- (NEW) General part –where appropriate, detailed arrangements covering the specific implementation modalities of Interreg to ensure a consistent approach; identification of geographic areas and allocation breakdown for each cooperation chapter [Article 9(1) ERDF]
- Second part summary chapters one chapter is a summary of each currently existing programme 4 months for the Commission to assess the Interreg Plan chapters or their amendments [Article 9(3) ERDF]
- Amendments to add the chapters as they become available; and to modify chapters during the programming period



## Commission approval process

- EP-Council regulations follow normal negotiation procedure
- In parallel, Commission will prepare legislative elements for the Interreg Plan
- Commission will also discuss with Member States about chapters geography
- Once regulations are adopted, chapter allocations will need to be finalised rapidly
- Adoption of the first part of the Interreg Plan will allow the submission of the Interreg chapters from the underlying programme partnerships
- Commission will approve chapters that are ready every 3 months [Article 9(4) ERDF]



### General and specific objectives

- General objectives are essentially at the traditional fund level [Article 2 NRP]
- Specific objectives more detailed, but provide even more options and flexibility than in the past
- Interreg specific objectives: « better cooperation governance », « a safer and more secure Europe », « more resilient regions bordering Russia, Belarus and Ukraine »
- No thematic concentration within the Plans to note the 35% climate and environmental objectives target established at the MFF level in the Performance Regulation [Article 4(2) Perf]
- Performance Regulation Annex III translates this to NRP Plan target of 43% Note does not appear to apply to Interreg.

### **Cooperation between non-Member States**

Possibility of Interreg Plan to cover cooperation between non-Member States [Article 7(1) 2nd para ERDF]



## Reform dimension and Performance-based approach

#### **Reform dimension**

- The combination of reforms and investment will be a key element for the national plans
- Reform dimension also important for Interreg, even if not so visible in the regulatory proposals given the nature of the reforms possible in the Interreg context
- Nevertheless, Interreg should begin to think more in a reform direction

### Performance-based approach

- Relationship with the Commission to be based on performance
- Each Interreg chapter to contain a list and description of measures to be supported, along with milestones and targets [Article 8(3)(c) ERDF]
- Total estimated costs of the measures to also be set out [Article 8(3)(d) ERDF]



## Outermost region cooperation

- Critical to build on the current test cases of the Madeira-Azores-Canaries and Indian Ocean programmes, where small amounts of NDICI funding has been added to the programmes in the middle of the programming
- This funding is managed under indirect management by the managing authority concerned – this possibility is maintained
- Post-27, the aim is to have Global Europe funding in all the outermost cooperation chapters from the start – as on other external borders (Article 7(2) ERDF creates this possibility)



### Some Financial rules

### **Pre-financing**

- Change of approach 4% per year for the first three years [Article 17(2) NRP]. All prefinancing to be cleared at closure [Article 17(3) NRP] (currently 14% over 6 years)
- Specific pre-financing rules for chapters including Global Europe funding can be established in the Interreg Plan – to provide continuity with the existing programmes

#### **Automatic decommitment**

Reduction in timing to n+1 to accelerate the spending [Article 15(1) NRP]

However, both needs to be viewed along with performance-based payments – procedural targets will provide additional payments early on if set as milestones





## Continuity aspects

- Funding levels
- Strands
- Programming approach
- Programmes continuity
- Programme authority structure
- Approach to co-financing

- Approach to technical assistance
- Integrated approach along the external borders
- Single audit system for Interreg
- Approach to management verifications
- PEACE PLUS

# Funding levels, Strands and Programming approach

- Total funding = EUR 10.264 billion in current prices [Article 10(2)(c) NRP]
- Compares with EUR 8.9 billion in current prices in the 21-27 programmes
- Allocation methodology proposed is identical to the 21-27 methodology [Annex 3 NRP]
- No amount yet identified for Strand C
- Full continuity 4 strands with unchanged wording [Article 7(1) ERDF]
- Article 6 NRP sets out partnership requirements essentially a rollover from current period -> Commission would still expect that programming committees would be formed by each current programme – a longer, more detailed programme document would be written for the partnership



## Programmes continuity

- Expectation that current programmes will continue in the next period
- Any demand for new programmes or changed geographies will be dealt with case by case

#### **Chapter authorities**

- A single managing authority, a single audit authority and a joint secretariat for each chapter [Article 10(1) and (4) ERDF]
- Group of auditors per chapter, as in 21-27 [Article 10(5) ERDF]
- No separate accounting function any more
- One monitoring committee per chapter with same role as currently (with list of tasks to be included in the Plan) [Article 10(6) ERDF]
- No mention of National Authority for external border chapters, but will be included in the Plan



## Co-financing

- Levels retained, but presentation reversed to show "national contribution rate", not EU rate
- EU co-financing = 80% for Interreg, except 85% for outermost cooperation and "cross-border cooperation on external borders" [Article 20(3) NRP] note: extra 5% is left bracketed in the text

#### **Technical assistance**

- Flat-rate approach retained and text simplified
- 8% flat-rate for all Interreg chapters, with 10% for outermost cooperation and "cooperation on external borders" [Article 13(2) NRP]



## External border funding integration

- Same approach as for 2021-2027
- Funding from Global Europe to be provided in "proportionate amounts" to Interreg programmes [Article 11(1) ERDF]
- Financing agreements required (apart from parts of outermost cooperation implemented under indirect management) [Article 11(2) ERDF]
- Public procurement new possibility of national rules for non-Member States
- Return of resources in case of non-submission retained, but extended to cover all chapters, including on internal borders



## Single audit system

- Work of audit authority (and group of auditors) to be the same, except audit will be of fulfilment of milestones and targets, not expenditure
- System audits will also continue
- Annual single audit system for Interreg to continue (to be set out in the Interreg Plan)

### **Management verifications**

- Work on verifications to be the same, except on fulfilment of milestones and targets, not on expenditure
- No details included in regulations, but to be set out in the Interreg Plan



### PEACE PLUS

- All elements on PEACE PLUS pulled together into one article
- Continuity with previous elements and specific rules to cover peace and reconciliation aspects
- No special allocation in the Commission proposal



## Thank you



#### © European Union 2025

Unless otherwise noted the reuse of this presentation is authorised under the <u>CC BY 4.0</u> license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

Slide xx: element concerned, source: e.g. Fotolia.com; Slide xx: element concerned, source: e.g. iStock.com

