

Workshop on Article 36 of the ETC Regulation

04/04/2023

Online

Meeting Summary

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Headlines

Interact organised this workshop regarding the provisions of Art 36 of the ETC Regulation in collaboration with DG Regio. The workshop was open for all programmes' staff from the MAs, JSs, and relevant programme bodies, NCPs, MC members, etc.

The workshop's main objective was to facilitate a comprehensive and practical understanding of the provisions of Art 36 ETC in the context of communication requirements in the CPR and Interreg Regulation in 2021-2027. The workshop aimed to provide an accurate and practical understanding of the responsibilities of MAs concerning transparency and communication towards ensuring that project partners and final recipients¹ comply with the requirements set out in Art 36 ETC Regulation. This workshop also has provided a forum to discuss and exchange views on the issue of how proportionality will be put into practice when applying the cancellation of up to 2% of the support from the Funds by the MA. Consequently, this meeting allowed the programmes to understand how to avoid any need for corrective measures related to transparency and communication. Thus, applying the 2% cut should be the last recourse for the beneficiaries and final recipients not complying with the rules on transparency and communication.

Interact has prepared this summary to briefly outline the key points discussed during the meeting, including a recap of what was presented, the messages and comments, and the questions we debated during the meeting. Please note that this is a presentation of information, not establishing a methodology for applying the respective corrective measures. The objective was to discuss the topic with the programmes, exchange views, and address

¹ Please bear in mind that "final recipients" means a legal or natural person receiving support from the Funds through a beneficiary" of a small project fund or from a financial instrument Art 2 (9) and (18) CPR.

common questions and possible approaches before the programmes develop a methodology on how to proportionate or to what extent to apply the max 2% cut for non-compliance with transparency and communication requirements.

Discussion topics – presentations

1. Communication in the CPR and the Interreg Regulation 2021-2027:
 - Regulatory framework
 - Responsibilities of MAs
 - Responsibilities of Partners
 - Who does what? – Examples from the programme phases
 - What could a communication event look like? – Examples from the project phases
 - Communication and visibility checklist – Example
 - Key resources
2. How to avoid communication mistakes and financial corrections:
 - Visibility elements – Examples
 - Tips to help the projects – The rules in plain language, repetition of the rules, leading by examples, the JS managers as strong teamwork, pre-approval of the communication elements and campaign by the Communication officer, visibility elements templates, communication kick-off-set
3. Findings from management verifications:
 - Findings from management verifications about information and publicity measures
 - Types of findings – Examples

Comments and questions from the meeting

Comments from the Interreg programmes:

- The MA shall ensure that within six months of the Interreg programme's approval, according to Art 18, there is a website where information on each Interreg programme under its responsibility is available, covering the programme's objectives, activities, available funding opportunities, and achievements.
- The regulation needs to be more precise on the timing of many requirements - when publications/ visibility of some items should occur (List of operations, poster).
- The Beneficiary shall ensure that the final recipients comply with the requirements set out in Art 36 ETC Regulation.
- "Projects must install a billboard or a plaque for projects that aim to create a physical investment. I do not see how we can install a billboard or a plaque for a soft project.... the A3-size poster is there for the soft projects".
- Concerning the 2% cut (Art 36 of the ETC Regulation), any guidance would be helpful to have sooner rather than later, if somehow possible.
- It is helpful to know if the auditors will push for a cut of up to 2% or if it is up to the MA to decide on financial corrections.

- A "warning" about the 2% is very useful for a project; thus, communicating the risk of a sanction is usually more effective.
- Programmes could share their experience for remedial actions. For example, logos could be integrated for a partner video with a missing logo and a new version published. The agenda may not carry the event logo, but the presentations in the room and other project materials did.

Main questions and answers from the meeting:

Answers to comments and questions presented in this summary have been provided by David Hackling, DG REGIO, Dorota Witoldson, DG Regio, Unit D2, Nebojsa Nikolic and Florin Neculcea, Interact programme, during the meeting on communication in the CPR and the Interreg Regulation 2021-2027, which took place on 04/04/2023. These are preliminary answers during a live event and may not include the full information on a specific topic. If you have any further questions or need clarification on a certain point, please contact the event organizers. It is also advisable to raise relevant questions in our communities on IBM Connections so that the other experts can participate in the discussion and benefit from the shared knowledge.

Q1: What does it mean specifically the responsibilities of managing authorities and partners concerning transparency and communication?

A1: Each managing authority shall identify a communication officer for each Interreg programme. However, a communication officer may be responsible for more than one programme.

Q2: Do we have to produce a communication plan for this new program period?

A2: The programme document includes the communication approach. The common understanding is that the communication approach of the programme had to be included in a paragraph of the operational programme approved by the EC.

Q3: Art 49 CPR (2) obliges MA to ensure the publication on the website of a timetable of the planned calls for proposals updated at least three times a year. Since our first call has just finished and there is no MC decision about future calls, what kind of information can we publish?

A3: Since the information concerning the last call is available to the public, we are in line with the provision of Art 49 CPR. In case there is no further call foresight, as a stakeholder, I would appreciate acknowledging if the information is recent. Thus, a single message posted with "NO Updates" is sufficient.

Q4: When providing a statement highlighting the support from an Interreg fund, do you have any guidance on what it should look like?

A4: There is no specific guidance on how we should structure the statement. However, there are recommendations on what elements should be highlighted. The primary goal of the statement is to bring the information clearly, accurately, concisely, in line with specific visibility requirements and communication strategy of the Interreg programme.

Here a few tips:

- Keep the statement concise and to the point, focusing on the key messages and impact

- Stick to visibility and transparency requirements set by the Interreg programme
- Keep in mind the three mandatory visibility elements: the official Interreg logo, the emblem of the Union, and the statement.
- Ensure the statement aligns with any specific communication guidelines the Interreg program provides
- The general public should acknowledge the support from the Interreg fund towards implementing the project.
- Display the project's achievements and the information concerning the partnership; contact information is available for the public for further inquiries or collaborations.
- Customise the statement to fit the unique aspects and achievements of your project.

Q5: Do these publicity requirements only apply to events or items destined for the general/ external public (i.e., not to an internal partner meeting)?

A5: The publicity requirements apply to various project activities and materials, not just those intended for the general public. The primary intention behind the publicity requirements is to ensure transparency and visibility of project outcomes funded by the Interreg programme. The requirements may not be as strict for internal partner meetings where the audience primarily comprises project partners directly involved in the project's implementation. The rationale is that these audiences are already aware of the project's objectives. However, even for internal meetings, it's a good practice to maintain transparency and communication standards, as the overarching goal of the Interreg program is to promote collaboration and exchange of information among partners.

Q6: What does it mean on the website that a link must be visible "to documents sent to the EC"? Apart from the List of operations, documents such as the Cooperation Programme or all documents?

A6: There should be a clear and accessible link to the relevant programme documents. It should be placed prominently on the programme website so visitors can find and access all the relevant documents. Examples of publications that should be visible and easily accessible to the public are the programme rules and templates currently in use, current legislation, decisions, guidelines, reports and statements concerning the programme's implementation, and communication materials such as events, leaflets, brochures and newsletters.

Q7: The headline of Art 36 (4) ETC states: "Each partner of an Interreg operation or each body implementing a financing instrument (...)." Does this mean that each partner of the "Interreg operation" should display a different plaque? Does "Interreg operation" always mean "project"?

A7: "Operation" means a project (Art 2 CPR). Project partners must display a plaque or billboard to ensure transparency and visibility of the project's outcomes. Regarding the plaque or billboards, the responsibility is to place them for physical investments, as the works are visible or for equipment installed and functional. These should be displayed where the work is carried out or equipment installed, where part of the work is completed or in progress. This means that part of the physical work should be completed or equipment installed and functional. As for the responsibility of each partner to display a plaque or billboard, these should be displayed for the physical investment of equipment purchased. The recommendation is to have the plaque or billboard in place when requesting verification of expenditures (management verifications).

Q8: Concerning Art 36 (4) (d) ETC, more information should be about when and how long the A3-sized posters must be published for projects with a total eligible cost of less than 100,000 EUR. What is expected?

A8: Specifically, the beneficiaries of such operations shall ensure that A3-sized posters are displayed in places that are easily accessible to the public and, if possible, where the work is carried out or equipment installed. While the regulation doesn't provide specific details about how long these posters should be displayed, what's generally expected is that the posters should be displayed for a reasonable period that allows the public to become aware of the outcomes and results of the project and financial support from the Interreg Fund. Note that the specific guidance for displaying A3-sized posters for projects with a total eligible cost of less than 100,000 EUR may vary among different Interreg programmes. The recommendation is to refer to the guidelines provided by the Interreg programme to ensure compliance and effectively implement this requirement.

Q9: How can we (MA) make personalised posters for 50 projects? Are we supposed to use stickers anymore?

A9: Some programmes set up a "poster generator" online or use the EC online generator, which is NO cost for the beneficiaries. It is cheaper to guide the project partners to print the posters than for MA to coordinate the entire process of printing, packing and shipping. However, if the MA remains in control of producing the posters, the overall price should be more reasonable if you give them away during the contract awarding ceremony. If MA sends them via a courier, it becomes more expensive. However, some Interreg programmes have a top-down management approach where they do not meet the project directly in person but only meet them for site visits (but that is instead for monitoring). These programmes send the contracts electronically instead of meeting the project's partners' representatives in person. The point is about efficiency, so whichever approach is more efficient for you as a programme is correct.

Regarding the stickers, portable equipment like laptops can quickly disappear from the project partner's premises; thus, these should be marked with stickers. However, for heavy equipment installed permanently in an office/building at the premises of the project partner, the plaques/billboards are sufficient. Regarding portable equipment we use in your office, it should also be labelled. The recommendation is to have the plaque or billboard in place when requesting verification of expenditures (management verifications). However, some Interreg programmes have the approach of not using stickers.

Here the link for the EC online generator

https://ec.europa.eu/regional_policy/policy/communication/online-generator_en

Q10: When it comes to the visual elements, stickers, plaques, and billboards for the projects, shall we use a specific template?

A10: Projects are free to create their own designs. However, the recommendation is to use the Interreg programme's examples, layouts and colours to comply with the visibility requirements and communication strategy.

Here the link for the EC visual elements for 2021-2027

https://ec.europa.eu/regional_policy/information-sources/logo-download-center_en

Q11: For which items should we use the logo only?

A11: The Interreg programme logo, along with the word "Interreg" and the programme name, contains the other essential visibility elements, namely the European Union flag and the co-funding statement.

Q12: When and where must the plaque or billboard be set up? Should the plaques be displayed in all locations where a physical investment is being carried out, or is the instalment of one plaque for the entire operation enough? Should it be displayed as soon as the physical investment begins or as soon as it is completed?

A12: The requirement for setting a plaque or billboard is intended to provide visibility for physical investments supported by the Interreg Fund. However, specific guidance may differ based on each Interreg programme. Concerning the place, plaques or billboards should be placed in a location easily accessible to the general public at the project site where the physical investment is carried out. Concerning the timing of displaying the plaque or billboard, the general recommendation is to have the plaque or billboard in place while works are ongoing. Please bear in mind that a temporary billboard could be visible to the public by specific request from the Interreg programme. However, the billboard should be replaced by a permanent plaque when the works are completed.

Q13: Concerning small project funds, these umbrella projects are managed by the Euroregions with a total eligible cost of more than 100,000 EUR, and the equipment purchased is there (e.g., laptops for the management). However, the project's primary goal is to finance small soft projects. Is the billboard needed? Where to install it?

A13: In the context of small project funds, the requirement for displaying a billboard or plaque may apply to a different extent than it would be for projects primarily focused on physical investments. The billboard or plaque requirement intends to provide visibility for projects involving physical investments or equipment. For small project funds with a total eligible cost of more than 100,000 EUR, the obligation to display a billboard may not apply similarly. The decision to install a billboard or plaque would depend on the nature of the equipment purchased and its visibility to the public.

Q14: What does the EUR 100,000 threshold refer to? Is it referring to the total ERDF funding of the entire "Interreg operation", or is it restricted to the amount spent for "physical investment(s) or the purchase of equipment"?

A14: The 100,000 EUR threshold refers to the entire "Interreg operation." It is not limited to the amount spent on "physical investment(s) or the purchase of equipment." Thus, the visibility requirements apply for any Interreg operation exceeding 100,000 EUR, regardless of whether the funding is used for physical investments, equipment purchased, or other project-related costs. The purpose is to ensure that projects provide appropriate visibility and communication to highlight the support from the Interreg program. The reading is the total cost of Interreg operation involving physical investment or equipment purchased.

Q15: Are all "Interreg operations" that have at least some physical investment or purchase of equipment obliged to display a plaque or billboard, or is the obligation limited to operations with a prevalent investment in physical equipment? If so, how can we determine the prevalence?

A15: The requirement to display a plaque or billboard for Interreg operations involving physical investments or equipment is generally aimed at ensuring transparency and visibility for the

project. However, while the requirement applies to all operations with a total eligible cost of more than 100,000 EUR, the obligation may vary among different Interreg programmes, at any level of physical investment or only to those with a prevalent physical investment or purchasing of equipment. However, the specific guidance for displaying a plaque or billboards for projects having at least some physical investment or equipment may vary among different Interreg programmes. The recommendation is to refer to the guidelines provided by the respective Interreg programme to ensure compliance and effectively implement this requirement.

Q16: Concerning a plaque or a billboard, where should it be put if the equipment is acquired but something physical needs to be visible?

A16: The location for placing the plaque or billboard can depend on the specific circumstances and the nature of the equipment or physical investment. If the Interreg operation involves equipment acquisition and there isn't a tangible physical installation, a plaque or billboard placement can be adapted to best suit the situation. If the equipment is accommodated at the premises of the project partner or the project site, the plaque or billboard could be placed at a visible location within that location. If the equipment is used within a project office or workspace, consider placing the plaque or billboard in a common area or shared workspace.

Q17: Do the same visibility rules apply to technical assistance projects?

A17: The visibility rules outlined in the Interreg regulations generally apply to projects supported by the Interreg fund, including technical assistance projects. However, the visibility requirements for technical assistance projects might differ based on the nature and goals. Technical assistance projects provide support, expertise, and services to the programme's management and implementation structures. The equipment, services, supplies, and works associated with technical assistance projects may differ from those in regular projects focusing on direct activities or physical investments. The recommendation is to maintain transparency, communication, and visibility while considering the specific context of technical assistance activities.

Q18: What could be considered a "physical investment or purchase of equipment"?

A18: A "physical investment or purchase of equipment" refers to expenditures related to acquiring tangible assets or infrastructure that have a material existence and can be physically observed. These assets are typically used to support the implementation of a project or operation. Here are some examples of what could be considered a physical investment or purchase of equipment:

Construction or improvement of physical infrastructure, such as buildings, roads, bridges, ports, and utilities.

Purchasing machinery, equipment, tools, and instruments necessary for project activities. This could include items like computers, vehicles, and laboratory equipment.

Acquisition of furniture, fixtures, and fittings necessary for operating a physical facility or space.

Costs associated with renovating, upgrading, or enhancing existing physical structures, facilities, or equipment.

Q19: Concerning the 2% cut, is it up to the MA to decide when the financial correction is applied, or is there more detailed guidance on the money being cut?

A19: There is no specific guidance on how to proportionate or to what extent to apply the max 2% cut for non-compliance with transparency and communication requirements, regardless of the financial corrections applied during the control of expenditures. However, the recommendation is that the MA shall develop clear procedures for evaluating non-compliance with the requirements

and applying the corrective measures. The decision to apply a financial correction is generally within the MA's responsibility, typically during management verifications. Concerning the issue of applying the 2% cut of the support from the funds for the beneficiaries and final recipients not complying with the rules on transparency and communication, the MAs must apply this cut only if corrective measures are not taken (irregularities coming from management verifications). Thus, using the 2% cut should be the last recourse, and the decision is based on the MA's assessment of the severity of the finding.

Q20: How do you interpret the expression principle of proportionality in the case of the 2% cut?

A20: To ensure proportionality MA, we shall consider the nature and the gravity of the irregularity and the related financial implications for the budget of the Union when deciding on a financial correction. Therefore, MA should evaluate the extent of the non-compliance with transparency and communication requirements before deciding to apply the corrective measures and the appropriate amount. It is essential to ensure that the decisions are fair, transparent, and consistent. The MA should consider the context, grounds, and circumstances for non-compliance with transparency and communication requirements. Thus, all decisions shall be documented, referring to the assessment of the non-compliance and grounds for the decision and the corrective actions taken. Regarding proportionality, the corrective measures should be proportional to the seriousness of the irregularity or non-compliance with the requirements. It means that the corrections could be up to 2%. However, it can also be less depending on the severity of the finding).

Q21: Is it still being determined if this 2% is related to the single finding, project partner budget, or entire project budget (operation)?

A21: Commission Decision (C(2019) 3452 final /14.05.2019), which lays down the guidelines for determining financial corrections to be made to expenditure financed by the Union for non-compliance with the applicable rules on public procurement) establish the financial corrections applicable for irregularities detected concerning the public contract, which generates expenditure financed by the Union budget. Concerning the 2% cut of the support from the funds for the beneficiaries and final recipients not complying with the rules on transparency and communication, it is applied to the partner budget /invoice(s) of the specific action, which does not comply with the regulation.

Q22: The 2% cut must be applied once or repeatedly if mistakes are being made again?

A22: MA can only cancel up to 2% (but no more) of partner budget /invoice(s)/item(s) of the specific action due to publicity/visibility infringements.