

## Interreg Baltic Sea Region 2<sup>nd</sup> Call for Applications Priorities 1-3

### Announcement Note for Step 1: Concept Note Timeline: 1 March 2016 – 1 June 2016

#### 1. Introduction

Interreg Baltic Sea Region is launching the 2<sup>nd</sup> call for applications for its priorities 1-3. The Programme offers financial support to transnational projects contributing to the development of a more innovative, better accessible and sustainable Baltic Sea Region. The Programme is designed under the territorial cooperation goal of the European Union. In practice, the Programme combines financing from the EU structural funds - European Regional Development Fund (ERDF) and Norwegian National Funding as well as the EU external funds - European Neighbourhood Instrument (ENI)<sup>1</sup>. The Programme funding is allocated through calls for applications.

#### 2. Objectives and Priorities

The Programme promotes transnational cooperation and integration by projects addressing common key challenges and opportunities of the region. It exploits opportunities and addresses issues which cannot sufficiently be dealt with by single countries but require a joint response by partners from several countries from the Baltic Sea Region.

The Programme is divided into three thematic priority axes addressing transnational key challenges and opportunities of the Baltic Sea Region:

##### **Priority 1 Capacity for innovation**

The priority is dedicated to actions strengthening the ability of the Baltic Sea Region to create and commercialise innovation. Thus, the Programme encourages experimentation with new approaches and solutions to be practically tested through pilot actions. Furthermore, the priority aims at increasing the capacity of the public sector as an innovation driver and enhancing innovation uptake by SMEs. Thematically, one of the priority's focuses lies on utilisation of the potentials of existing and planned research and innovation infrastructures. Additionally, the priority supports capacity-building for smart specialisation strategies and their implementation, e.g. through test and pilot activities. Finally, the priority provides support for non-technological aspects of innovation.

##### **Priority 2 Efficient management of natural resources**

The priority supports transnational cooperation enhancing the capacity of public authorities and practitioners to ensure a better environmental status of the Baltic Sea Region waters and to strengthen resource-efficient growth. It will help develop integrated approaches to reducing nutrient loads and decreasing discharges of hazardous substances in the waters. Moreover, the priority supports development and testing of governance and funding models as well as technological solutions for production and distribution of renewable energy and for improved energy efficiency. Finally, it aims at strengthening the sustainable and resource-efficient blue growth in the BSR.

---

<sup>1</sup> See further point 5.

**Priority 3 Sustainable transport**

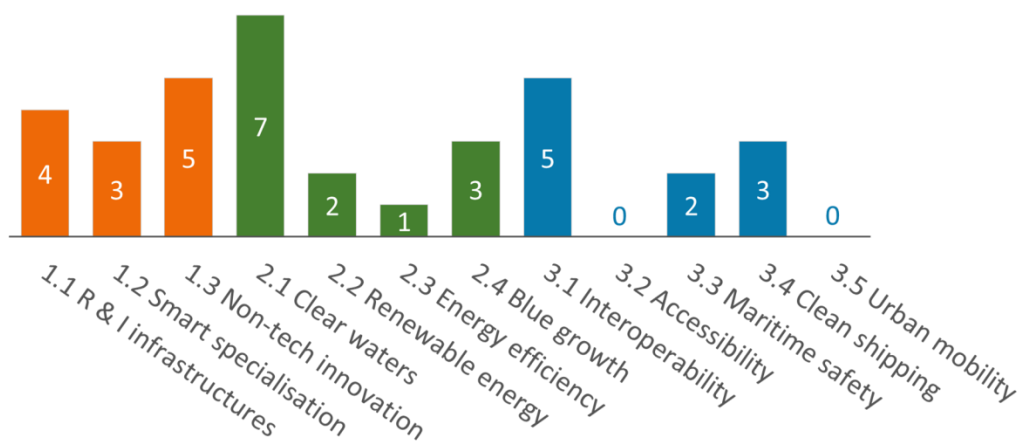
The priority covers capacity building measures ensuring more sustainable transport solutions in the region. In particular, it aims at better connecting the secondary and tertiary transport networks and nodes in the Baltic Sea Region to core transport networks. Furthermore, the priority aims at improving the accessibility of distant areas that have accessibility deficits to urban, administrative and economic centres as well as areas affected by demographic change. Due to the significance of maritime transport for the region the priority also focuses on the improvement of maritime safety and environmentally friendly shipping. Finally, the priority specifically focuses on urban areas of the Baltic Sea Region with the aim of increasing environmentally friendly mobility.

A detailed description of the actions to be financed under each of the priorities can be found in the Cooperation Programme.

**3. Topics particularly encouraged in the 2<sup>nd</sup> call for applications**

The 1<sup>st</sup> call for applications resulted in 35 approved projects contributing to ten of twelve Programme specific objectives in priorities 1-3. Applicants preparing proposals for the 2<sup>nd</sup> call are encouraged to get acquainted with the current project portfolio of the Programme to enable synergetic effects and to avoid potential overlaps. Summaries of all projects are available on the Programme website: [www.interreg-baltic.eu](http://www.interreg-baltic.eu)

The graph below shows the number of so far approved projects per specific objective.



The 2nd call is open for applications in all specific objectives. However, the applicants are encouraged to address in particular the following topics:

**Priority 1**

In Priority 1 the Programme puts emphasis on creating favourable framework conditions for generation and market uptake of innovations. In line with this principle, projects focusing purely on developing a specific innovative product and not leading to improvements of the environment for innovation will not be funded.

- **Specific objective 1.2 Smart specialisation**

Projects should support regions/countries in their management tasks related to smart specialisation strategies. Projects may also support the implementation of smart specialisation strategies in selected sectors (including cross-sector approaches). Applicants should clearly describe the link to the smart

specialisation strategies of the regions/countries involved in the projects, involve relevant authorities and build on best practices and tools offered by S3 Platform ([s3platform.jrc.ec.europa.eu](http://s3platform.jrc.ec.europa.eu)).

- **Specific objective 1.3 Non-technological innovation**

Projects should focus on involvement of national/regional authorities as drivers for demand for innovation and foster public-private partnerships, innovation procurement as well as foster setting up new funding models supporting innovation, e.g. voucher schemes. Please be aware, that the Programme co-financing can be used to establish funding schemes but it cannot be provided to third parties outside the project partnership.

## Priority 2

- **Specific objective 2.2 Renewable energy**

Projects should support the integration of regional energy sources in the energy grids, the storage of renewable energy as well as the development of decentralised energy solutions. Developed solutions should be integrated into existing local/regional/national actions and strategies.

- **Specific objective 2.3 Energy efficiency**

Projects should focus on needs of a clearly specified target group. Projects may develop strategies for optimising resources and creating emission neutral regions. Projects may also, for example, improve the efficiency of electricity or heat submission systems, increase energy efficiency in production processes or test new financing models for better energy performance. Projects should focus on demonstration and on piloting of proposed solutions. Results of demonstration actions and pilot investments implemented by single partners should be aggregated to transferable good practices.

- **Specific objective 2.4 Blue growth**

Projects should develop policy proposals for supporting blue growth businesses, pilot applications of advanced/novel marine technologies and cooperation models. The projects should also implement pilot investments. However, please be aware that investments in aquaculture can only be made for demonstration and research purposes.

## Priority 3

- **Specific objective 3.2 Accessibility of remote areas**

Projects supporting the accessibility of remote areas and areas affected by demographic change should demonstrate ways to develop and maintain economically durable transport infrastructure and innovative transport services. In particular, the Programme seeks for projects that aim to improve the accessibility of the northern (e.g. Arctic) and eastern parts of the BSR. Projects should make use of and support the development of new economic activities in these areas. The link between the particular challenges and opportunities of the targeted regions, and the project aims needs to be clearly demonstrated. Demonstration actions and pilot investments need to be innovative. New solutions should preferably be tested during the project lifetime.

- **Specific objective 3.5 Urban mobility**

Projects promoting sustainable mobility in the BSR cities should show how activities and/or investments planned for single partner cities/regions will benefit also other cities/regions in the BSR. Local actions should be aggregated to transferable best practices. Demonstration actions and pilot investments need to be innovative. Investments falling into the regular domain of city budgets are not funded. For example, peer processes and benchmarking actions could be used to support the transnational dimension of project activities.

#### 4. EU Strategy for the Baltic Sea Region

Interreg Baltic Sea Region takes an active part in the implementation of the EU Strategy for the Baltic Sea Region (EUSBSR) and its Action Plan. The funding for implementing the Action Plan should be drawn from a variety of funding sources including the territorial cooperation programmes in the area. The applicants are encouraged to get acquainted with the Action Plan and to consider the possible contribution of their project to a policy area or a horizontal action of the Strategy.

The Programme encourages particularly flagship projects of the Action Plan thematically fitting to the Programme to apply. The Coordinators of the policy areas and horizontal actions of the Strategy together with their steering groups are responsible for selecting flagship projects and for issuing a “letter of commitment” to be submitted in step 1. The applicants are encouraged to be in contact with the relevant Policy Area/Horizontal Action Coordinator as early as possible. The Policy Area/Horizontal Action Coordinator may issue the letter of commitment based on the completed concept note, however. Therefore, the deadline for submission of the letter to the MA/JS is 1 July 2016 (one month later than the submission of the concept note). In case there are several concept notes demonstrating the same value according to the quality assessment criteria of the Programme, priority will be given to the flagship project. A “letter of commitment” from a Policy Area or Horizontal Action Coordinator can be submitted also in step 2 together with the complete application. This letter can, however, only be taken into account during the selection of complete applications.

For more information on the Strategy please go to: <http://www.balticsea-region-strategy.eu/>.

#### 5. Availability of funds

The total Programme co-financing from the European Regional Development Fund (ERDF) for priorities 1-3 amounts to 234.8 million euros. Norway allocates 5.5 million euros national funding to the Programme for Norwegian project partners.

The Russian Federation has formally agreed to the Cooperation Programme document, and approved the Programme Manual. The Russian Federation intends to allocate 4.4 million euros of Russian national funding to the Programme to support the participation of Russian organisations as partners in joint projects. To release these funds, a declaration needs to be signed by the Russian Federation, and be confirmed by the Managing Authority. Negotiations are ongoing. As soon as the declaration will be signed and accepted, Russian organisations will be eligible to participate as full partners. For updates, please check [interreg-baltic.eu](http://interreg-baltic.eu).

In addition, the Programme includes co-financing for the participation of partners from Russia and Belarus (8.3 million euros from the European Neighbourhood Instrument). ENI financing for Belarus and Russia is subject to concluding a Financing Agreement between the European Commission and the governments of these countries. As the Financing Agreements have not been signed to date, organisations from Belarus and Russia cannot apply for ENI funding in step 1 of the 2<sup>nd</sup> call for applications. Moreover, Belarus did not yet formally agree to the Cooperation Programme document.

The available<sup>2</sup> Programme co-financing allocated to priorities 1-3 is shown in the tables below:

---

<sup>2</sup> Please be aware that the figures are preliminary and might slightly change in the course of contracting of the 1<sup>st</sup> call projects.

### ERDF in million euro

Priority	Available	Committed in 1 <sup>st</sup> call	Remaining
1. Capacity for innovation	84.4	26.9	57.5
2. Efficient management of natural resources	84.4	38.9	45.5
3. Sustainable transport	66.0	24.8	41.2

### Norwegian funds in million euro

Priority <sup>3</sup>	Available	Committed in 1 <sup>st</sup> call	Remaining
1. Capacity for innovation	5.5	1.2	4.3
2. Efficient management of natural resources			
3. Sustainable transport			

Please note that not all available Programme co-financing will be allocated in the 2<sup>nd</sup> call but there will still be further calls for applications in the Programme.

## 6. Project partnership

Public authorities at local, regional or national level, research and training organisations, NGOs, sectoral agencies and associations as well as private for-profit organisations from the Programme area are invited to apply. The Programme Manual specifies which legal entities can act as lead partners and project partners. Organisations not falling under these legal requirements may participate in the projects as associated organisations.

The Interreg Baltic Sea Region area covers eleven countries. It comprises eight EU Member States (Denmark, Estonia, Finland, parts of Germany, Latvia, Lithuania, Poland, Sweden) and three partner countries (Belarus, Norway, parts of Russia). The detailed geographical coverage of the Programme is defined in the Cooperation Programme.

As a general rule, project partners can only receive co-financing from the Programme provided that they are located in the regions belonging to the Programme area. However, in exceptional cases partners located outside the Programme area can join the project partnerships. More details can be found in the Programme Manual.

Each project has to involve at least three project partners from three different countries of the Programme area: a lead partner and at least two project partners. Lead partners must be located in the territory of an EU Member State in the Programme area or in Norway. At least one of the partners has to be located in the territory of an EU Member State in the Programme area.

Specific implementing provisions for participation of Belarus and Russia have not been finalised and are under discussion. Please refer to point 5 of this Announcement Note. Thus, organisations from these countries cannot take part in projects as partners. However, it is encouraged to include them as associated organisations.

The core partnership needs to be in place at step 1 (concept note) of the call for applications. The partnership can be adjusted and additional partners can be added between step 1 and step 2 of the call. Further details on the composition of the project partnership can be found in the Programme Manual.

<sup>3</sup> For Norwegian funds there is no binding allocation among priorities. Some of the funding is dedicated to actions supported under Priority 4 of the Programme.

## 7. Lead partner principle

Each project has to appoint a lead applicant/lead partner who is responsible for preparation and submission of the application form. In case of approval of the project, the lead partner takes over the full responsibility for management, communication, implementation, and co-ordination of activities among the involved partners. The lead partner bears legal responsibility for the whole partnership. The lead partner is also the link between the project and the MA/JS of the Programme.

## 8. Duration of projects

The project duration consists of three phases: a contracting phase, an implementation phase and a project closure phase. The contracting phase lasts at least two months and starts at the day after the MC decision. The duration of the implementation phase may vary from 18 up to 36 months. The closure phase lasts three months.

## 9. Co-financing rates

Project partners have to provide their own contribution to receive Programme co-financing. The level of these contributions depends on the Programme co-financing rate which varies between the countries and the funds. Partners from Denmark, Finland, Germany and Sweden are entitled to receive 75% ERDF co-financing, while partners from Estonia, Latvia, Lithuania and Poland are entitled to 85% ERDF co-financing. Norwegian partners will receive 50% co-financing from Norwegian national funding. Funding modalities for partners from Belarus and Russia will be defined later.

## 10. Two-step selection procedure

The projects are selected for funding in a **two-step application procedure**. In **step 1** all lead applicants are asked to submit a **concept note** – describing the project’s strategic relevance, main outcomes, core activities and the planned partnership. In **step 2** only the applicants pre-selected in step 1 are invited to submit **complete project applications**.

The table below summarises information about documents that applicants need to submit at each step of the call for applications:

Step 1 Concept note	
Digital version	
Which documents?	Concept note form in a functional pdf format Signed and scanned Lead partner confirmation (section 7 of the concept note form) Optional: Scanned letters of commitment from relevant Policy Area Coordinator/Horizontal Action Coordinator
When?	Concept note and Lead partner confirmation by 1 June 2016 24:00 CEST (UTC +02:00) Letters of commitment from relevant Policy Area Coordinator/Horizontal Action Coordinator by 1 July 2016 24:00 CEST (UTC +02:00)
How?	Sending e-mail to: <a href="mailto:application@interreg-baltic.eu">application@interreg-baltic.eu</a>

Step 2 Complete project application	
Digital version	
Which documents?	Online application
When?	By the deadline indicated in the approval letter received after step 1
How?	Submitting via online system: ba.bamos.eu
Paper version	
Which documents?	<p>Signed application (identical to the digital version)</p> <p>Partner declarations for all project partners (including lead applicant) original or copies</p> <p>State aid self-declarations for all project partners (including lead applicant) original or copies</p> <p>Optional:</p> <p>Scanned letters of support from associated organisations</p> <p>Scanned letters of commitment from relevant Policy Area Coordinator/Horizontal Action Coordinator (not to be resubmitted if already provided in step 1)</p>
When?	<p>By the deadline indicated in the approval letter received after step 1</p> <p>!!! The date on the post stamp must be the date of the deadline or earlier !!!</p>
How?	<p>Sending documents to:</p> <p>Interreg Baltic Sea Region</p> <p>Managing Authority/Joint Secretariat</p> <p>IB.SH</p> <p>Grubenstraße 20</p> <p>18055 Rostock, Germany</p>

The applicants are asked to carefully follow the guidance provided in the concept note template (step 1) as well as in the online submission system (step 2). The guidance outlines the Programme expectations regarding quality and amount of information to be provided in each step.

The MA/JS is responsible for the verification of completeness and correctness of the submitted documents as well as for the assessment of both steps. The assessment criteria are presented in the Annex I and Annex II to the Programme Manual. The Monitoring Committee (MC) of the Programme selects the concept notes to be further developed into complete project applications. The MC will also be responsible for the final selection of applications.

The 2<sup>nd</sup> call for applications will follow the subsequent timeline:

- Call open, step 1: 1 March – 1 June 2016
- Selection of concept notes: September 2016
- Call open, step 2: September 2016 – January 2017
- Selection of projects for funding: May 2017

The timeline might be adjusted depending on the number of concept notes received.

## 11. Reimbursement of preparation costs

Project partners eligible for ERDF or Norwegian national funding can apply for reimbursement of costs related to the preparation of the project proposal. Only projects selected by the MC in step 2 of the call can have their preparation costs reimbursed. The reimbursement of preparation costs is lump sum based. Projects having received seed money funds from the EUSBSR Seed Money Facility or any other EU funds for the preparation of the same project will not receive reimbursement of preparation costs. Further details can be found in the Programme Manual.

## 12. Programme language

The official language of the Programme is English. Therefore, all communication between applicants and the MA/JS is held in English. Information in concept notes, application forms as well as official correspondence must be treated accordingly.

## 13. Further information and assistance

The official Programme documents are available on the Programme website: [www.interreg-baltic.eu](http://www.interreg-baltic.eu) and include:

- Interreg Baltic Sea Region Cooperation Programme;
- Programme Manual;
- Application package for 2<sup>nd</sup> call.

The MA/JS offers the following assistance to applicants :

- For general advice please contact: [info@interreg-baltic.eu](mailto:info@interreg-baltic.eu);
- The MA/JS provides written feedback to project ideas and offers face-to-face consultations at its offices in Rostock and Riga, as well as during events and via telephone. In case of interest please write to: [info@interreg-baltic.eu](mailto:info@interreg-baltic.eu);
- The Programme provides a project idea and partner search tool at LinkedIn - <https://de.linkedin.com/in/interregbaltic>;
- The MA/JS organises events to facilitate the project development process. Information about upcoming events is available at the Programme website: <http://www.interreg-baltic.eu/events.html>.