



# Terms of Reference: 3<sup>rd</sup> Call for Proposals

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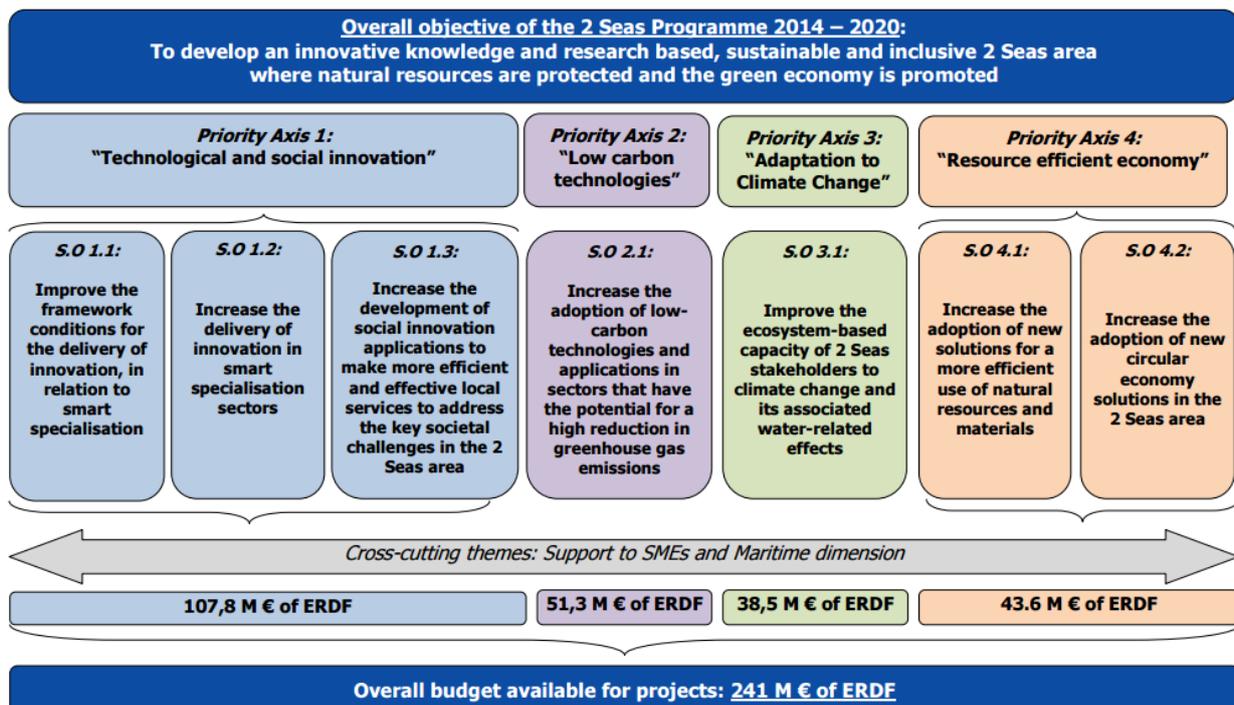
# 1. Introduction

The European Regional Development Fund (ERDF) aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The European Territorial Cooperation (ETC) strand is central to the construction of a common European space, and a cornerstone of European integration. It has clear European added value: helping to ensure that borders are not barriers, bringing Europeans closer together, helping to solve common problems, facilitating the sharing of ideas and assets, and encouraging strategic work towards common goals. The Interreg 2 Seas Programme is one of the ETC crossborder cooperation programmes between the coastal regions of 4 Member States: France, UK, Belgium/Flanders and the Netherlands.

The 2 Seas Programme Authorities are inviting the submission of project proposals under its **3<sup>rd</sup> Call for Proposals** for the 2014-2020 programming period. This document sets out the requirements and process to follow for the 3<sup>rd</sup> Call. It should be read in conjunction with the 2 Seas Cooperation Programme (CP) as well as the 2 Seas Programme Manual.

# 2. 2 Seas Programme and Content

The 2 Seas Programme's overall aim is 'To develop an innovative, knowledge and research-based, sustainable and inclusive 2 Seas area, where the natural resources are protected and the green economy is promoted'. The Programme has 4 Priority Axes, which in turn are broken down into 7 specific objectives. There are 2 cross-cutting themes: support to SMEs and the Maritime dimension. This constitutes the basis of the Programme Strategy. The Programme has a total ERDF allocation for the 4 mentioned Priorities of €241,249,780 ERDF split between them. Projects will be able to apply in the 3<sup>rd</sup> Call for **60% fixed ERDF contribution** (unless state aid applies). **All Priorities, Specific Objectives and funding** are available for the 3<sup>rd</sup> Call for Proposals, although several calls for proposals are meant to be planned over the coming years.



The Programme has a range of **targets**, captured in the form of output and result indicators, to measure its success. These targets are divided by Specific Objective.

The challenge is:

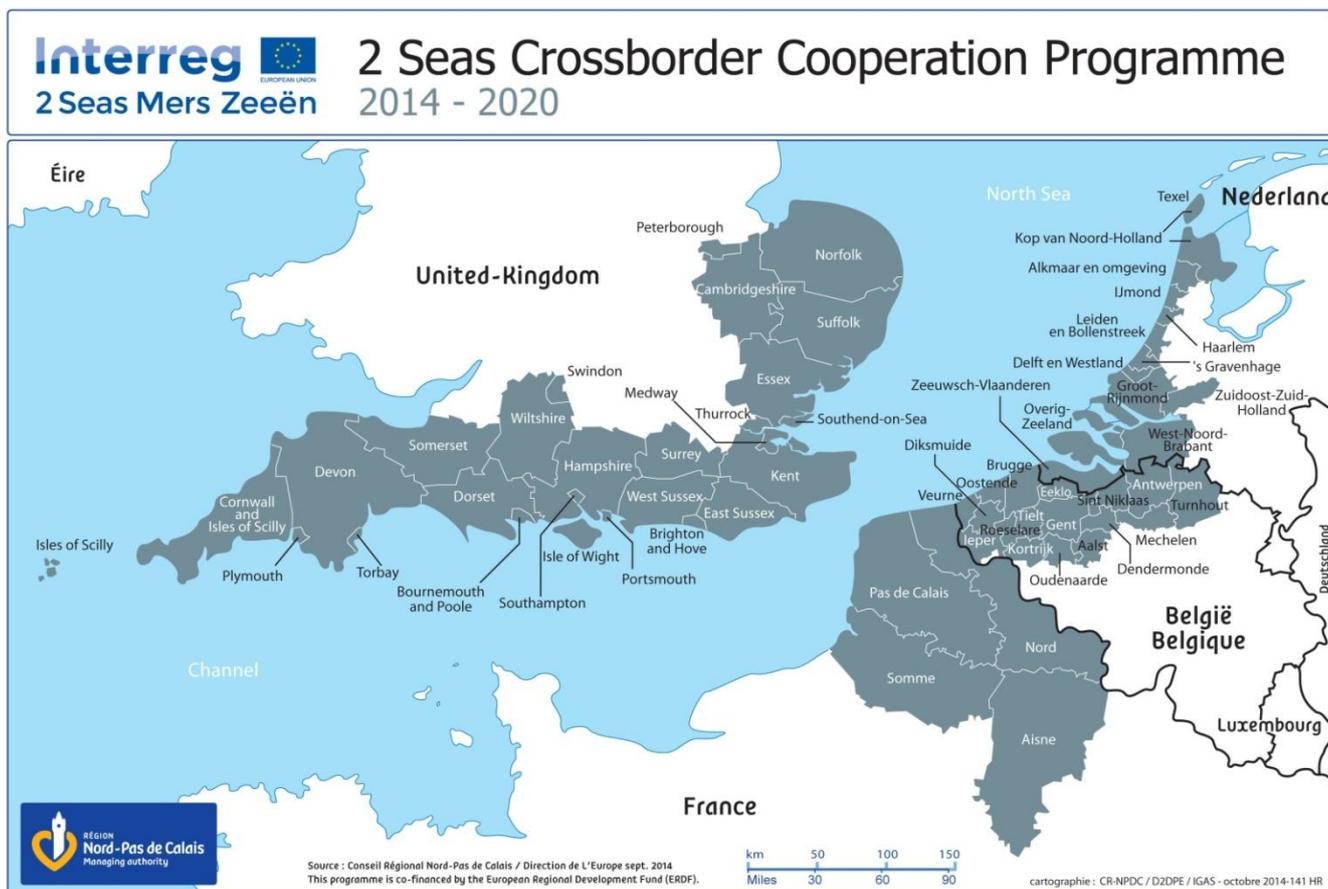
- to build projects that demonstrate a credible and concrete contribution to the specific objectives and results of the 2 Seas Programme 2014-2020
  
- to consider from the start of project generation and development the:
  - thematic angle of the project
  - partners that can really make a change
  - types of actions
  - contribution to the change in the crossborder area
  
- to make sure that the various elements of the project's intervention logic are in tune with those of the Programme

**All indicators** are applicable for the 3<sup>rd</sup> Call for Proposals.

### 3. Eligible Applicants

**All target groups** and **types of beneficiaries** as defined in the CP are welcome in the 3<sup>rd</sup> Call for Proposals. Conditions on eligibility of organisations are defined in the Programme Manual.

**All 2 Seas geographical areas** are concerned. Applicants outside the Programme area can participate under the conditions defined in the Programme Manual.



The Legal status of partners can be either **public or private bodies**. The “Lead Partner” principle applies. A project will consist of at least the following in terms of **partnership**:

- 2 partners
- 2 Member States represented
- 1 UK partner

It is recommended that projects last up to 3 to 4 years maximum. There are no minimum or maximum budget limits. However, projects will be required to follow the following key principles of project costs and resources:

- Value for Money
- Balanced and reasonable budget
- Project’s objectives towards available financial and human resources

In the framework of the European Territorial Cooperation Programmes, ERDF aims to create a leverage effect on a project, but also to bridge the funding gap. The ERDF investment contributes to a project budget provided that it is necessary to fully achieve the project objective through real cross-border cooperation. Where projects will generate revenue, ERDF funding may be reduced to take account of future income and ERDF grant may be recovered if future income exceeds the original estimates. More information on revenue generating projects can be found in the Programme Manual.

#### 4. Learning points from the first 2 call for proposals

S.O. 1.1:

- Direct support to Businesses is an activity that can deliver against S.O. 1.1 and framework conditions for innovation.
- Training activities could fit in the Programme, however they need to be a means rather than an end in the project.
- Business support-oriented projects should carefully consider State Aid issues (both 1st and 2nd levels)
- Focus is on improving the framework conditions for innovation, not on delivering innovation itself. As such, development activities can fit only if they serve the purpose of improving framework conditions.
- Involvement of quadruple helix/stakeholders of the innovation chain is crucial.

S.O. 1.2:

- Pure fundamental research is not expected under this S.O
- Projects should build on available research results and as such refer to them in the AF.
- There needs to be a link to the ‘market’ to ensure durability/uptake
- Application Forms need to demonstrate the demand for their project/outputs, and how they respond to the identified market failure(s)
- Technology Readiness Levels (TRL scale) should be used to determine if projects fit into this SO
- Potential issues around IPR and State Aid
- Training activities are seen as relevant, provided they are a means to achieve something (and not an end). They should remain a minor element of the project.

S.O. 1.3:

- Projects should ensure they deliver social innovation and not simply social inclusion: the latter can be a means to reach the former, but in order to be a social innovation project, it needs to have a series of characteristics, namely:
  - ✓ Be social need driven
  - ✓ Be Innovative
  - ✓ Have a long term vision

- ✓ Have a measurable and sustainable impact
- ✓ Be multi-disciplinary
- ✓ Be participative-empowering
- Projects should demonstrate how they fit in the Interreg 2 Seas Programme and show how this Programme is more appropriate than the European Social Fund or other national funding.

#### S.O. 2.1:

- Partners need to be relevant to be able to really influence what they are trying to achieve
- This SO is about adoption of technologies, not development of technology (1.2)
- The Interreg 2 Seas does not support direct and widespread retrofitting of private houses.
- There are often potential issues around Intellectual Property Rights (IPR) management and State Aid
- Big investment projects (on housing renovation for example) are seen as relevant as long as cross-border cooperation added-value and transferability are demonstrated.
- Industrial research projects are also welcome as long as transferability and roll-out of outputs are ensured. IPR management should be in line with Interreg principles.

#### S.O. 3.1:

- Only implementation projects to improve the adaptation capacity will be supported. Strategies, action plans, data gathering/modelling etc. can be part of a project but not the final result(s). Emphasis should be put on tangible implementation of adaptation measures.
- This SO is not an environmental/biodiversity priority, but a climate change adaptation one. Obviously there can be environmental/biodiversity side effects as a result of a project implemented under this SO, but this does not have to be the main result.

#### S.O. 4.1:

- Projects need to focus on a few challenges that they can actually influence
- Projects should be about resource efficiency, although side-effects on carbon emissions are obviously welcome.
- Projects should clearly show how they directly lead to the reduction of the use of the resources mentioned in the Cooperation Programme under this SO.

#### S.O. 4.2:

- Projects need to reinforce the institutional framework conditions
- Projects need to reinforce the capacity of business, public bodies and other stakeholders in society to adopt new models and approaches and implement circular economy solutions

## 5. Project selection Criteria

Following a competitive process, projects will be assessed on eligibility and admissibility criteria on the one hand, and quality criteria on the other. Proposals that do not meet the requirements set out below will not be selected for funding in the 2 Seas Programme. Eligible and admissible project proposals will be ranked according to best delivery of the CP objectives. More information regarding the criteria can be found in the Programme Manual.

### A. Eligibility and Admissibility Criteria

- Application Form is submitted by deadlines of the Call
- Application Form is completely filled out
- Minimum partnership requirements are fulfilled
- Time limits are respected: start and end dates are respected

- Minimum and maximum budget requirements are respected: if applicable
- State Aid rules are complied with
- All obligatory annexes are uploaded to the EEP by the 26/06/2017 (23:59 Brussels time):
  - scan of the signed AF confirmation page was received (full 4 pages)
  - scans of the signed Letters of Support for each of the partners
  - scans of the signed Observer Letters (only if one or more observer(s) participate in the project)
  - a scan of the signed De Minimis Aid Form (if applicable)
  - a scan of the net revenue analysis (if applicable)

## B. Quality Criteria

### 1. Project's context (relevance and strategy): How well is a need for the project justified?

A successful project:

- Has clearly brought to the fore the need for the project (for example by referring to relevant (scientific) sources) and has demonstrated that there is a clear demand
- Has clearly shown the market failure the project is tackling and trying to solve.
- Has shown how it contributes to a wider strategy on one or more policy levels.
- Has demonstrated that it is aware of synergies with other projects and that it will exploit those as well as knowledge already available in the field.

### 2. Cooperation character: What added value does the cooperation bring?

A successful project:

- Has demonstrated clearly and concretely that it needs crossborder cooperation in order to reach the project's outputs and results or has at least shown that outputs and results are better and stronger thanks to the crossborder cooperation.
- Has shown that it clearly makes use of the available knowledge and introduces innovative practices, techniques, technologies, etc.
- Has ensured that the cooperation will benefit the project partners, their target groups and stakeholders, and the 2 Seas area as a whole.

### 3. Project's contribution to Programme's objectives, expected results and outputs: To what extent will the project contribute to the achievement of the Programme's objectives?

A successful project:

- Is clearly result oriented: results and outputs clearly link to the Programme Specific Objective and its indicators, and are concrete, ambitious but realistic and measurable.
- Has a coherent intervention logic: there is a clear logical link between objectives, activities, outputs, and results.
- Has shown that outputs and results are durable and when possible applicable and replicable.

### 4. Partnership relevance: To what extent is the partnership composition relevant for the proposed project?

A successful project:

- Has a partnership containing relevant partners to address the chosen territorial challenge.
- Has a partnership that is balanced with regards to the governance levels, sectors, territory.

### 5. Management: To what extent are management structures and procedures in line with the project size, duration and needs?

A successful project;

- Has adequate management structures and procedures.

- Has shown a clear understanding of the Programme rules and requirements as set out in the Programme Manual.
6. Communication: To what extent are communication activities appropriate and will reach the relevant target groups and stakeholders?  
A successful project;
    - Has communication activities in line with the project objectives, proposed work plan, main outputs and results, which are moreover fit to adequately reach the identified target groups.
    - Shows how communication is not a standalone activity and permeates the entire project, contributing to achieving durability and transferability of outputs and results, as well as involving the identified target groups, disseminating the project's achievements and conducting an active communication policy to ensure uptake of the project's results and outputs.
  7. Work plan: To what extent is the work plan realistic, consistent and coherent?  
A successful project;
    - Has a coherent workplan, with relevant activities and deliverables, in which the distribution of tasks among partners is clear and coherent.
    - Has a realistic time plan and a logical distribution of activities, deliverables and outputs time-wise.
  8. Budget: To what extent does the project demonstrate value for money and is coherent and proportionate?  
A successful project;
    - Has demonstrated good value for money since it is clear what concretely it delivers in terms of outputs and results and the required resources are not disproportionate.
    - Has a budget that is logically distributed among partners, periods, work packages, budget lines and this is understandable when looking at the work plan and the budget lines description.

Furthermore, the following 4 cooperation criteria apply. Project partners shall cooperate in at least 3 of these fields:

- **Joint development:** joint project preparation involving project development meetings
- **Joint implementation:** joint project management and joint implementation of the activities
- **Joint staffing:** joint staff within the project team
- **Joint financing:** each partner contributes to the project budget

Projects must also comply with **tendering and procurement** rules and will be asked to describe the procedures that are applicable to their organisation.

Finally, special attention should be paid to the compliance with **state aid rules**. Applicants are encouraged to consult the Programme manual factsheet and dedicated guidance on state aid.

## 6. Decision making process and timeframe

The **opening of the call** will be on **01/09/2016**.

The application process is **100% paperless** and follows a **2 step approach**:

1. **STEP 1:** The submission of a **Concept Note by 28/10/2016 (23:59 Brussels time)**.  
The Concept Note will enable Programme Authorities to steer projects in order to successfully implement the Programme strategy. The aim is also to reduce the administrative burden for Project Applicants by ensuring a fit with the Programme strategy. Recommendations will be provided to Project Applicants concerning their project. The Concept Note will need to be provided **in the 3**

**official Programme Languages** (English, French and Dutch). The English version will be considered the official version.

2. **STEP 2:** By the end of January 2017 applicants will receive recommendations on the submitted Concept Notes.

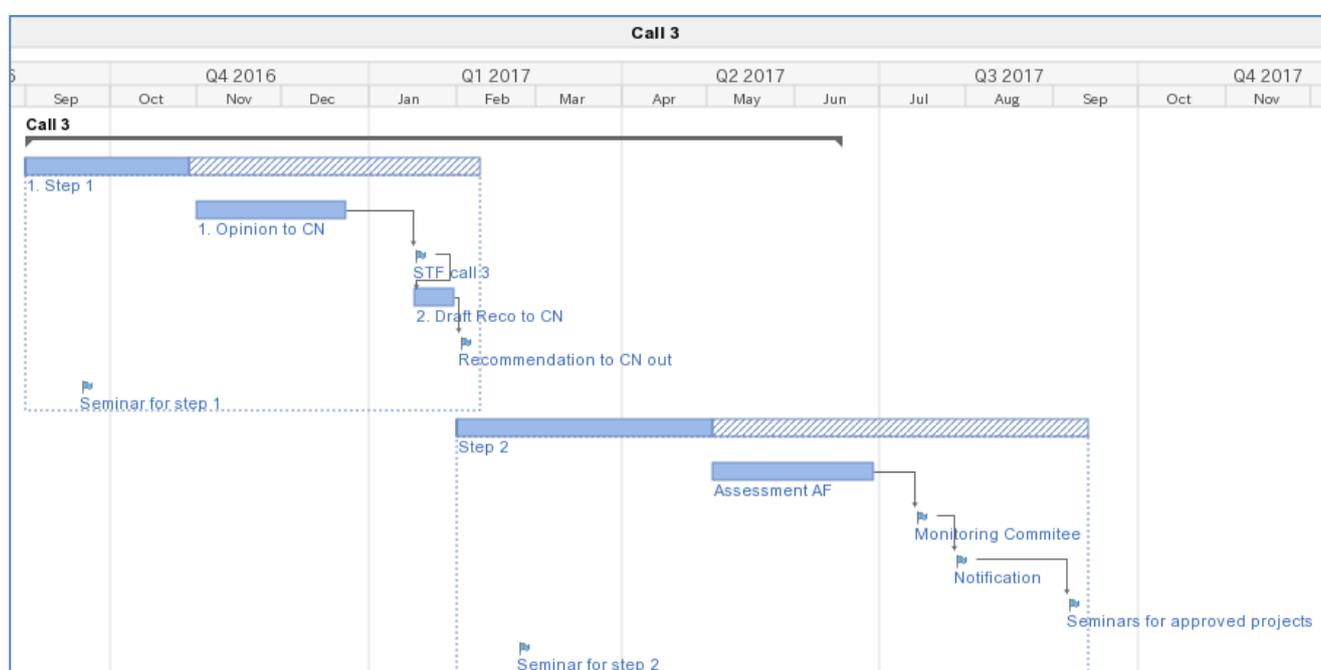
The opening of step 2 will be at the beginning of February 2017.

STEP 2 will close with the submission of an **Application Form by 02/05/2017 (23:59 Brussels time)**.

Only CN submitted in time in step 1 allow the submission of a full Application Form in step 2.

The Application Form will include all operational aspects of the project. A final decision will be as follows: approval, rejection, referral back for operational reasons, and referral back for strategic reasons. The Application Form will only need to be provided **in English**.

- A. Projects need to upload all obligatory annexes to the Electronic Exchange Platform **by 26/06/2017 (23:59 Brussels time)**.
- B. The Programme Monitoring Committee will take a decision **on 13/07/2017**.
- C. Projects will receive a notification letter containing the **final decision by the second half of July 2017**.



## 7. Next Steps

More information regarding the Application phase and Project selection phase can be found in the Programme Manual.

All users will have to create their account to get login credentials on the 2 Seas Programme **Electronic Exchange Platform (EEP)** and submit their Concept Note online. The completion and submission of the Application Form will also be done online through the EEP (<http://eep.interreg2seas.eu/>). However, word versions of the documents are also made available to help with the drafting process (<http://www.interreg2seas.eu/>).