

## Fact Sheet 17: Partners and activities outside the programme area

Version	Valid from	Valid to	Main changes
Version 1	16.11.2021	-	n/a

### CORE MESSAGE

As a basic rule, all partners, activities and expenditure must take place inside the boundaries of the North Sea Programme area. However, there are ways of working outside the programme area. In these cases, special rules apply.

### Background

European funding granted under the North Sea Programme is meant for the development of the North Sea programme. As a result, programme funding that is spent outside the programme area is carefully monitored and limited by special rules. This expenditure is only eligible if a project follows these rules.

If a project partner or activity included in an application as part of a project is located outside the programme area, whether inside or outside the European Union, the selection of that project shall require the explicit approval by the managing authority in the monitoring committee.<sup>1</sup> The activities and partners outside the programme area must contribute to the objectives of the programme.<sup>2</sup>

### Controlling partners located outside the programme area

As a starting point, funding is generally only available to project partners located inside the North Sea Region (see the North Sea Interreg Programme document for a list of all regions covered). Projects must ensure that partners are from one of these regions or that they comply with the special rules laid out below.

- As a general rule, the lead partner of each project must be located in the programme area (which includes the southern regions of Norway).

<sup>1</sup> Regulation (EU) 2021/1059 (Interreg reg.) Art. 22, 1)

<sup>2</sup> Regulation (EU) 2021/1059 (Interreg reg.) Art. 37, 1)

- In special cases the lead partner can be located in part of a programme country that is not in the programme area, e.g. a national ministry based in Berlin. In such cases, however, it is important that the main activities be carried out in the programme area and/or made clear that the benefits of the project will be delivered to the programme area. An assessment of whether this is the case and whether the lead partner can live up to programme's administrative requirements will form part of the project application assessment.
- Partners located outside the European Union part of the programme area and Norway are subject to special rules. Three different situations are possible:
  - Zone 1: The rest of the territory of Member States that are not part of the North Sea Region (e.g. southern Germany, southern France)
  - Zone 2: Member States that are not in the North Sea Programme (e.g. Poland)
  - Zone 3: Non-EU countries outside the programme area (e.g. UK or Iceland)

Two conditions apply to *all* such partners. These are:

- Involvement of the partner must provide a clear benefit to the programme area. It should be explained in the application why a partner located within the programme area cannot provide the same benefit.
- Effective control and audit arrangements must be in place. Unfortunately, this is complex and, in practice, often impossible. Different rules apply for each of the zones as follows:
  - Zone 1: Partners must clearly state in the application that they are located outside the programme area. If the project is approved, the partner must find and obtain approval for a Controller just as a partner located inside the programme area does.
  - Zone 2: No arrangements are in place. Projects should contact the programme to hear the current status of these arrangements. In the meantime, projects should make alternative arrangements for the involvement of organisations in other EU countries (see below).
  - Zone 3: No arrangements are in place. Projects should contact the programme to hear about the status of these arrangements.

## Alternative arrangements for involvement

In order to avoid the complications explained above, it is often best for organisations located outside the programme area to participate not as partners but through other means:

- **As invited experts.** A hosting organisation within the programme area can fund travel, accommodation and other relevant costs. The hosting organisation must ensure that all relevant value for money procedures are respected, including tendering, if necessary.
- **As contracted service providers.** An organisation within the programme area contracts a clearly defined service from an organisation outside the programme area. The contracting organisation must ensure that all relevant value for money procedures are respected, especially tendering, which will be required for all but the smallest amounts.



- Note that it is not possible in such cases to circumvent procurement procedures by saying that only one qualified organisation could be found.

In both of these examples, the special rules regarding the location of partners would not apply.

## References

- Interreg regulation 2021/1059