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'I/A' ITEM NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Proposal for a Regulation of the European Parliament and of the Council establishing the European Fund for Regional Development including for European Territorial Cooperation (Interreg) and the Cohesion Fund as part of the Fund set out in Regulation (EU) [...] [NRP] and establishing conditions for the implementation of the Union support to regional development from 2028 to 2034
- Partial general approach

Delegations will find attached the text of the compromise text on the above proposal submitted to reach a partial general approach, excluding the bracketed elements. Changes to the text of the Commission's proposal (doc. 11768/25 + ADD 1) are marked in **bold** for additions and ~~striketrough~~ for deletions.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

~~Establishing on the European Fund for~~ Regional Development Fund including for European Territorial Cooperation (Interreg) and the Cohesion Fund as part of the Fund set out in Regulation (EU) [NRP] and establishing conditions for the implementation of the Union support to regional development from 2028 to 2034

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 177, 178 and 349 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Having regard to the opinion of the Committee of the Regions²,

Acting in accordance with the ordinary legislative procedure,

¹ OJ C, C/2026/875, 27.2.2026, ELI: <http://data.europa.eu/eli/C/2026/875/oj>.

² OJ C, , p. .

Whereas:

- (1) Article 176 of the Treaty on the Functioning of the European Union (TFEU) provides that the European Regional Development Fund (ERDF) is intended to help to redress the main regional imbalances in the Union. Pursuant to that Article and ~~the second and third paragraphs of Article 174 TFEU~~, the ERDF is to contribute to **strengthening of Union's economic, social and territorial cohesion through** reducing disparities between the levels of development of the various regions and the backwardness of the least-favoured regions, among which particular attention is to be paid to **rural areas, areas affected by industrial transition, and** regions which suffer from severe and permanent natural or demographic handicaps, including in particular handicaps resulting from demographic decline, such as the northernmost regions with very low population density, islands, and cross-border and mountain regions.
- (2) The Cohesion Fund was set up in order to contribute to the overall objective of strengthening economic, social and territorial cohesion of the Union by providing financial contributions in the **Member States with a GNI per capita of less than 90% of the EU average, to projects in the** fields of environment and trans-European networks in the area of transport infrastructure (TEN-T), as set out in Regulation (EU) ~~No 1315/2013~~ **2024/1679** of the European Parliament and of the Council³.
- (3) This Union support under the ERDF and the Cohesion Fund is to be provided under the ~~National and Regional Partnership Fund~~ **European Fund for economic, social and territorial cohesion, agriculture and rural, fisheries and maritime, prosperity and security ('the Fund')**, in accordance with the rules governing that Fund and set out in Regulation (EU) [NRP Regulation] of the European Parliament and of the Council⁴.

³ Regulation (EU) ~~No 1315/2013~~ **2024/1679** of the European Parliament and of the Council of ~~11 December 2013~~ **13 June 2024** on Union guidelines for the development of the trans-European transport network, **amending Regulations (EU) 2021/1153 and (EU) No 913/2010** and repealing ~~Decision No 661/2010/EU (OJ L 348, 20.12.2013)~~ **Regulation (EU) No 1315/2013 (Text with EEA relevance) (OJ L, 2024/1679, 28.6.2024, p. 1).**

⁴ OJ ...

- (4) Regulation (EU) XX [NRP Regulation] sets out common rules applicable to various funds including the ERDF, the European Social Fund ('ESF'), the Cohesion Fund, the European Maritime and Fisheries Fund ('EMFF'), the Asylum and Migration Fund ('AMIF'), the Internal Security Fund ('ISF') and the Border Management and Visa Instrument ('BMVI') which operate under a common framework ('the Funds').
- (5) Horizontal principles as set out in Article 3 of the Treaty on European Union ('TEU') and in Article 10 of the TFEU, including principles of subsidiarity and proportionality as set out in Article 5 of the TEU, should be respected in the implementation of the ERDF and the Cohesion Fund, taking into account the Charter of Fundamental Rights of the European Union. Member States should also respect the obligations of the UN Convention on the Rights of Persons with Disabilities and ensure accessibility in line with its Article 9 and in accordance with the Union law harmonising accessibility requirements for products and services. Member States and the Commission should aim at eliminating inequalities and at promoting equality between men and women and integrating the gender perspective, as well as at combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The Funds should not support actions that contribute to any form of segregation. The objectives of the ERDF and the Cohesion Fund should be pursued in the framework of sustainable development and the Union's promotion of the aim of preserving, protecting and improving the quality of the environment as set out in Articles 11 and 191(1) of the TFEU, taking into account the polluter pays principle. In order to protect the integrity of the internal market, operations benefitting undertakings shall comply with State aid rules as set out in Articles 107 and 108 of the TFEU.

- (6) The ERDF and the Cohesion Fund should contribute to the ~~specific policy~~**general** objectives set out in ~~Articles 2 and Article 2 of Regulation (EU) [NRP Regulation]~~ **and to the relevant specific objectives set out in Article 3 of Regulation (EU) [NRP Regulation]**, within their respective scopes set out in the Treaties. It is necessary to further specify the ~~possibilities for~~ **conditions for the implementation of** support from the ERDF and, **where relevant**, the Cohesion Fund for disadvantaged areas, urban areas, **regions facing specific structural challenges due to their location at the Union's external borders, in particular Eastern border regions facing the dual challenge of strengthening resilience and civil security while addressing the social-economic impacts highlighted in the Commission's Communication on the EU's Eastern regions bordering Russia, Belarus or Ukraine and the outermost regions, in order to promote upward convergence across the Union. It is also necessary to further specify the conditions for the implementation of support for the concerned Member States to projects in the fields of environment and trans-European networks in the area of transport infrastructure (TEN-T).** Furthermore, it is necessary to lay down provisions for the implementation of European territorial cooperation (Interreg).
- (7) In line with the principle of intergenerational fairness and the Union's commitment to the rights of the child and the Youth Strategy, the ERDF ~~and the Cohesion Fund~~ should **be able to** support measures that contribute to sustainable development for future generations, promote access to opportunities for young people across all territories, and address the specific needs of youth in disadvantaged areas, particularly in disadvantaged and depopulating regions, including infrastructure for skills, innovation, entrepreneurship, **just transition**, sustainable livelihoods~~and~~, culture or sports **and the right to stay**. Such support may be implemented via integrated urban or local strategies.

- (8) ~~Member States and particularly those with significant Roma population challenges shall pay specific attention to Roma equality and inclusion.~~ Support should not be provided for actions that contribute to any form of segregation or exclusion of persons with disabilities and ~~rationalised~~ **marginalised** communities ~~such as Roma.~~ **Member States and particularly those with significant Roma population challenges should pay specific attention to Roma equality and inclusion.**
- (9) In view of promoting sustainable urban development, it is considered necessary to support integrated territorial development in order to more effectively tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, including functional urban areas, while taking into account the need to promote urban-rural linkages. Measures reflecting these approaches should be established in ~~appropriate chapters of the~~ National and Regional Partnership Plans.
- (10) Specific attention should be paid to outermost regions, namely by adopting measures under Article 349 of the TFEU providing for measures for the outermost regions to offset the additional costs incurred in these regions as a result of one or several of the permanent restraints referred to in Article 349 of the TFEU, namely remoteness, insularity, small size, difficult topography and climate, economic dependence on a few products, the permanence and combination of which severely restrain their development. In order to protect the integrity of the internal market, and as is the case for all operations co-financed by the ERDF and the Cohesion Fund, any ERDF support to the financing of operating and investment aid in the outermost regions should comply with State aid rules as set out in Articles 107 and 108 of the TFEU.
- (11) In order to support the harmonious development of the Union's territory at different levels, the ERDF ~~under~~**through the Interreg Plan** should support cross-border cooperation, transnational cooperation, interregional cooperation, and **cooperation of** outermost regions² ~~cooperation.~~

- (11a) Cross-border cooperation should address jointly identified challenges in border regions and help unlock their untapped potential. It should also involve cooperation with countries, regions or territories outside the Union. The strand should cover regions and areas on the border or separated by a maximum of 150 km of sea, where cross-border interaction can take place or functional areas can be identified, without prejudice to potential adjustments needed to ensure coherence and continuity.**
- (11b) Taking into account macro-regional and sea-basin strategies, the transnational cooperation strand should strengthen cooperation over larger territories or around sea basins with flexibility to ensure coherence and continuity, through actions supporting territorial integration, involving partners from Member States and non-Member States, in full respect of subsidiarity.**
- (11c) The interregional cooperation strand should contribute to strengthening the effectiveness of cohesion policy through the identification, exchange and transfer of good practices and innovative approaches in support of the specific and Interreg-specific objectives; by strengthening the capacity of Interreg authorities; through the exchange of experience and capacity building on sustainable and integrated urban development; and through the analysis of development trends in support of the objective of territorial cohesion. It is therefore appropriate to include dedicated chapters in the Interreg Plan in support of interregional cooperation, covering the whole Union and allowing the participation of non-Member States.**
- (11d) An outermost regions' cooperation strand should enable outermost regions to better integrate in their respective regional basins through cooperation with their neighbouring countries and territories in the most effective and simple way, taking into account their structural constraints and providing for specific measures as provided for in Article 349 TFEU.**
- (11e) Member States should have flexibility to transfer resources between the strands within defined limits.**

- (12) Interreg should be implemented outside the National and Regional Partnership Plans, in the form of an Interreg Plan in view of providing for the specific context of the cooperation objective and the necessary implementation modalities for multi-country projects including specificities of the four strands. **Provisions on the preparation, approval and amendment of Interreg Plan chapters, on the monitoring committee and on the functions of the chapter authorities should be provided taking into account the specificities of the Interreg Plan chapters. In order to ensure uniform conditions for the approval of the Interreg Plan chapters, implementing powers should be conferred upon the Commission. The Commission should also be empowered to approve amendments to Interreg Plan chapters, on the basis of reasoned requests submitted by the Member State hosting the managing authority. The adoption of a Commission decision should not be required for correcting clerical mistakes or for minor adjustments. When the Commission adopts a decision approving an Interreg Plan chapter, it should constitute a financing decision within the meaning of Article 110(1) of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council⁵. For the subsequent approval of Interreg Plan chapters submitted at different times, the Commission should be able to adopt amending decisions so that all approved Interreg Plan chapters are included in a single consolidated decision. The deadline for adopting a decision amending elements of an Interreg Plan chapter should also be set out, ensuring the timely implementation of the Interreg Plan chapter, while enabling the Commission to manage the decision-making process in a manner that minimises, to the greatest extent possible, the frequency of amendments to the Commission implementing decision.**

⁵ **Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) - PE/99/2023/REV/1 - (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).**

- (12a) A clear chain of financial liability for recovery in cases of irregularities should be established from sole or other partners through the lead partner and the managing authority, to the Commission. The recovery obligations of the lead partner should be clarified in this regard. Provision should be made for liability of Member States and non-Member States, where applicable, where recovery from the sole or lead partner is not successful, in which case the Member State or non-Member State reimburses the managing authority. The rules should be clarified for cases where a Member State or a non-Member State, where applicable does not reimburse the managing authority. These rules should be without prejudice to the Commissions' powers to apply financial corrections in accordance with [NRP Regulation].
- (13) ~~Support from the Fund through the ERDF under Interreg may~~ **Plan under this Regulation should** contribute to ~~all~~ **the relevant** specific objectives set out in [NRP Regulation]. In addition, it should contribute to additional specific objectives to address ~~specific issues for~~ “better cooperation governance”, “a safer and more secure Europe” and “more resilient regions bordering Russia, Belarus ~~and~~ or Ukraine”. **The Interreg specific objective supporting “more resilient regions bordering Russia, Belarus or Ukraine”.** ~~In order to enable the ERDF to provide support under Interreg in terms of both investments in infrastructure and the associated investments, training and integration activities, it is necessary to provide that the ERDF may also provide support for~~ **could cover also cooperation activities under the specific objectives set out in Article [3(1)(c) – Specific objectives on social] of Regulation (EU) [NRP Regulation] with Moldova in accordance with the Communication of the Commission on the EU’s eastern regions bordering Russia, Belarus or Ukraine⁶.**

⁶ COM(2026) 82.

- (14) **In order to ensure uniform conditions for the implementation of this Regulation,** implementing powers should be conferred on the Commission to adopt and amend the lists of Interreg **Plan** chapters ~~and, the list of the global amount from Union support for each Interreg~~ **Plan** chapter, **and to set out detailed arrangements covering specific implementation modalities of Interreg.** These implementing powers should be exercised in accordance with **the examination procedure set out in Article 5 of Regulation (EU) No 182/2011** of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers. ~~Although these acts are of a general nature, the advisory procedure should be used given that they only implement the provisions in a technical way. The decision approving the relevant Interreg Plan chapter should constitute a financing decision within the meaning of Article 110(1) of Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council⁷.~~
- (15) In addition, Member States should also prepare chapters in view of setting out essential programming elements for the implementation of support. These chapters should be subject to approval by the Commission at regular intervals.
- (16) For the most efficient use of the support from the ERDF and the external financing instruments of the Union, a mechanism should be set up to organise the return of such support in cases where external cooperation ~~programmes~~ **chapters of the Interreg Plan** cannot be adopted or have to be discontinued, including with third countries which do not receive support from any financing instrument of the Union. That mechanism should seek to achieve optimal functioning of the ~~programmes~~ **chapters of the Interreg Plan** and the maximum possible coordination between those instruments.

⁷ ~~Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) — PE/99/2023/REV/1 — (OJ L, 2024/2509, 26.9.2024, ELI: <http://data.europa.eu/eli/reg/2024/2509/oj>).~~

- (17) In order to encourage and boost cooperation measures, cooperation activities between partners within a given Member State or between different Member States in relation to support provided should remain possible under all of the specific objectives. Such enhanced cooperation is additional to the cooperation under Interreg and may involve partners from any region in the Union, but may also include cross-border regions and regions which are all covered by a macro-regional or sea-basin strategy or a combination of the two.
- (18) Within the context of the unique and specific circumstances on the island of Ireland, and with a view to supporting North-South cooperation under the Good Friday Agreement, a new ~~‘PEACE PLUS’~~ **‘PEACEPLUS’** cross-border chapter should continue and build on the work of previous programmes between the border counties of Ireland and Northern Ireland. Taking into account its practical importance, it is necessary to ensure that, in supporting actions for peace and reconciliation, the ERDF should also contribute to promoting social, economic and regional stability in the regions concerned, in particular through actions to promote cohesion between communities. Given the specificities of the ~~programme~~ **‘PEACEPLUS’** it should be managed in an integrated manner with the United Kingdom contribution being integrated into the ~~programme~~ **‘PEACEPLUS’** as external assigned revenue.
- (19) Since the objective of this Regulation, namely to reinforce economic, social and territorial cohesion by redressing the main regional imbalances in the Union, cannot be sufficiently achieved by the Member States but can rather, by reason of the extent of the disparities between the levels of development of the various regions and the backwardness of the least favoured regions and the limit on the financial resources of the Member States and regions, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the TEU. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective,

(20) In order to ensure continuity in providing support and allow for a coherent and timely implementation as of the beginning of the multiannual financial framework 2028 to 2034, this Regulation should enter into force as a matter of urgency on the day following that of its publication in the Official Journal of the European Union,

HAVE ADOPTED THIS REGULATION:

CHAPTER I

General provisions

Article 1

Subject matter

[This Regulation lays down specific conditions for the implementation of Union support in accordance with the general objectives laid down in Article 2 of Regulation (EU) [NRP Regulation], and in particular point (a) and (e) thereof.]

It also lays down the provisions necessary for the implementation of Union support for the promotion of European territorial cooperation ('Interreg') with a view to fostering cooperation between Member States and their regions inside the Union and between Member States, their regions and third countries, partner countries, other territories or overseas countries and territories (OCTs), or regional integration and cooperation organisations.

[This Union support shall be provided under the National and Regional Partnership Fund, in accordance with the rules governing that Fund and set out in Regulation (EU) [NRP Regulation].]

Article 2

Support from the ERDF and the Cohesion Fund

1. The ERDF and the Cohesion Fund shall support, **within its scope, the relevant** the specific objectives set out in **Article 3(1) and in particular points (a), (b), (c) and (e) of** in Regulation (EU) [NRP Regulation] **with a view to strengthening economic, social and territorial cohesion and reducing disparities between the levels of development of regions taking into account the specific needs and challenges of the Member State and regions concerned and** contributing to the general objective set out in Article 2(1)(a) of Regulation (EU) [NRP Regulation] in accordance with ~~their respective~~ its scope set out in Articles **174**, 176 and 177 TFEU.

2. In accordance with Article 22(2)(a) of the [NRP Regulation], the Cohesion Fund shall support projects in the fields of environment and trans-European networks in the area of transport infrastructure.

Article 3

Definitions

- (1) ‘European Territorial Cooperation (Interreg)’ means cooperation between Member States and their regions inside the Union and between Member States, their regions and non-Member States ~~financed~~, or regional integration and cooperation organisations, **supported** by the ~~National and Regional Partnership~~ Fund and, where applicable, by the Global Europe Instrument.
- (2) ‘Non-Member State’ means ~~territories of~~ third or partner countries as well as overseas countries and territories (OCTs) of Member States.⁸
- (3) ‘Partner country’ means a non-Member State which receives support under the Global Europe Instrument.
- (4) ‘Third country’ means a non-Member State which does not receive support either from the Fund through the Interreg Plan or from the Global Europe Instrument; and which contributes to the Interreg Plan through its own means or through external assigned revenue to the Union budget.

⁸ Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union ('Overseas Association Decision') (OJ L 344, 19.12.2013, p. 1). On September 3, 2025, the European Commission published a legislative proposal (COM(2025) 599 final) to amend Decision (EU) 2021/1764. The negotiations are ongoing.

For the ~~purpose~~**purposes** of this ~~Chapter~~**Regulation**, where provisions in Articles ~~69~~**58** [Responsibilities of Member States], ~~70~~**59** [Submission of the annual assurance package], ~~74~~**63** [Data collection and recording], and ~~77~~**65** [Submission and assessment of payment applications] of Regulation (EU) [NRP Regulation] refer to a ‘Member State’, that term shall be construed as meaning ‘the Member State hosting the managing authority’ **and where they refer to ‘Each Member State’ or ‘Member States’, this shall be construed as meaning ‘the Member States and, where applicable, non-Member States participating in a given Interreg Plan chapter.**

- (5) **‘Regional integration and cooperation organisation’ means, in the context of outermost regions cooperation, a group of third countries or regions in the same geographic area that aim to cooperate closely on issues of common interest, of which Member States may also be part.**
- (6) **‘National Authority’ means, for the purposes of this Regulation and where applicable, a public body in a Member State or a non-Member State that is responsible to support the managing authority in its implementation tasks of an Interreg Plan chapter on its territory.**
- (7) **‘Cooperation on external borders’ means Interreg cooperation and the corresponding chapter supported by the Global Europe Instrument.**
- (8) **‘Lead partner’ means one of the partners designated as such by all the partners in an Interreg operation which involves two or more partners, responsible for ensuring implementation of the entire Interreg operation and to whom the document setting out the conditions for support has been provided.**
- (9) **‘Small project fund’ means an operation in a measure of an Interreg Plan chapter aimed at the selection and implementation of projects of limited financial volume, including people-to-people actions.**

Article 4

Support for disadvantaged areas

1. In accordance with Article 174 TFEU, Member States shall ~~pay special attention to addressing~~ **address in their National and Regional Partnership Plans** the challenges of disadvantaged regions and areas, in particular **least favoured regions, rural areas, inner areas, areas affected by industrial transition, regions which suffer from severe and permanent natural or demographic handicaps, such as the northernmost regions with very low population density and island, cross-border and mountain regions, and also just transition areas and, regions bordering Russia, Belarus and/or Ukraine, and regions located on the Union's external borders.** Member States ~~and regions~~ shall, where appropriate, set out an integrated approach to addressing demographic challenges or specific needs of the regions and areas referred to in this paragraph in their National and Regional Partnership Plans in accordance with Articles ~~72 to 74~~ **74 to 76** ~~[integrated local and urban development and local cooperation]~~ **[territorial development and local cooperation]** of Regulation (EU) [NRP Regulation]. Such an integrated approach may include a commitment on dedicated funding for that purpose and may be included in dedicated chapters of the National Regional and Partnership Plan.

Article 4a

Regional innovation and transformation

Member States may address in their National and Regional Partnership Plans the need to strengthen regional competitiveness and innovation capacities, with a view to promoting sustainable growth and employment, taking into account regional needs and, where appropriate, smart specialisation strategies and just transition strategies. Such support may contribute to strengthening the industrial base, with particular attention to small and medium enterprises (SMEs), the service sector, advancing the digital transition, fostering research and innovation, promoting the diffusion of innovation across regions and territories, facilitating access to finance and enhancing the attractiveness of territories.

Article 4b

Right to stay

In order to contribute to the objective set out in Article 3(1)(a)(i) of Regulation (EU) [NRP Regulation], the ERDF shall support, where appropriate, measures aimed at fostering the attractiveness of territories across the Union to support the right to stay, in particular in territories facing stagnant and declining growth, security challenges and hybrid threats, or depopulation through integrated territorial development strategies covering areas such as competitiveness, digitalisation, access to public services and other essential services, connectivity, infrastructure and human capital development.

Article 5

Sustainable urban development

Pursuant to Article 75 of Regulation (EU) [NRP], as part of their territorial development, Member States shall support integrated urban development strategies which focus on sustainable development and tackle environmental, energy and climate challenges, in particular the fair transition towards a clean and climate-neutral and resilient economy by 2050, ~~paying special attention to~~ **by addressing, where relevant, urban mobility, housing, poverty, resilience and civil security, deprived urban communities, healthcare and access to public services, cultural heritage and to harnessing the potential of digital technologies for innovation purposes and energy efficiency, to supporting the development of functional urban areas, as well as supporting urban-rural linkages. **The design and implementation of such strategies shall remain flexible and proportionate, taking into account the administrative capacity and territorial specificities of each Member State.****

Article 6

Outermost regions

Measures shall be established in the National and Regional Partnership Plans to cover structural support for ~~their~~the economic, social and territorial development and operating costs or compensation **of the outermost regions**, including for the provision of services under a public service obligation and contracts in those regions with a view to offsetting the additional costs incurred in the outermost regions as a result of one or more of the permanent restraints to their development listed in Article 349, first paragraph, TFEU.

CHAPTER II

Interreg Plan

Article 7

Scope

1. Interreg shall focus on supporting the following strands of cooperation:
 - (a) cooperation between adjacent regions to promote integrated and harmonious regional development between neighbouring land and maritime border regions (cross-border cooperation);
 - (b) cooperation over larger transnational territories or around sea basins, involving national, regional and local partners in Member States and non-Member States with a view to achieving a higher degree of territorial integration (transnational cooperation);

- (c) cooperation to reinforce the effectiveness of cohesion policy ~~by promoting exchange of experiences, innovative approaches and capacity building (interregional cooperation);~~
by promoting:
- (i) capacity building through the identification and exchange of good practices and innovative approaches with a view to transferring them into regional development policies and, where relevant, National and Regional Partnership Plans supporting the objectives set out in Article 3 (1) of the NRPP Regulation and the Interreg-specific objectives referred to in paragraph 4 ('Interreg Europe');**
 - (ii) the development and dissemination of innovative approaches to strengthen the administrative and institutional capacity of Interreg authorities, support the harmonised and simplified implementation of Interreg Plan chapters and promote the capitalisation of Interreg results ('INTERACT');**
 - (iii) the exchange of experience and capacity building on innovative sustainable and integrated urban development at local level, including through the involvement of small and medium-sized cities and urban areas, in coordination and complementarity with the actions referred to in Regulation (EU) XXX (NRPP), Annex XV, contributing to the EU cities platform ('URBACT');**
 - (iv) the provision of territorial evidence by developing analysis, data and maps, in order to bridge research with policies in support of the objective of territorial cohesion ('ESPON');**
- (d) cooperation among outermost regions and with their neighbouring non-Member States or regional integration and cooperation organisations to facilitate their regional integration and harmonious development in their neighbourhood (outermost regions' cooperation).

Unless this Regulation sets specific requirements, cooperation between two or more European partners, none of which are Member States or their regions, shall be conducted in accordance with the specific rules set out in Regulation XX [Global Europe].

2. Interreg Plan chapters supporting cross-border cooperation, transnational cooperation and interregional cooperation shall be implemented in shared management. Contributions from the Global Europe Instrument included in chapters supporting outermost regions' cooperation may be implemented in shared or in indirect management. The cooperation ~~programmes~~**chapters** referred to in paragraph 1 co-financed by the ~~National and Regional Partnership~~ Fund may receive contributions from the pillars referred to in points (a), ~~(b)~~, ~~(c)~~ **and to (e)** of Article 3(1) of Regulation XX [Global Europe Instrument].
3. [The rules set out in Regulation (EU) [NRP Regulation] shall apply to the Interreg Plan, except where more specific rules are set out in this Regulation for the implementation of the Interreg Plan.]
4. In addition to the specific objectives set out in Article 3 **(1)**, points (a), **(c) and (e)** ~~and (e)~~, of Regulation (EU) [NRP Regulation], **the Interreg Plan as a whole** shall support **the Interreg specific objectives** “better cooperation governance”, “a safer and more secure Europe” and “more resilient regions bordering Russia, Belarus ~~and/or~~ Ukraine”, **in accordance with Article 8(3)(b)**.
5. In the case of the ~~PEACE PLUS cross-border programme~~**PEACEPLUS**, where it is acting in support of peace and reconciliation, the ERDF, as a specific objective under general objective (a) of Article 2 of Regulation (EU) [NRP Regulation], shall also contribute to promoting social, economic and regional stability in the regions concerned, in particular through actions to promote cohesion between communities.
6. ~~Articles XX [Loan support], XX [Loan agreement and borrowing and lending operations] and XX [mid-term review] and Article 14(2) [25% flexibility amount] of Regulation (EU) [NRP] shall not apply to the Interreg Plan.~~

Article 7a

Geographical coverage for cross-border cooperation

- 1. For cross-border cooperation, the regions to be supported by the Fund under the Interreg Plan shall be the NUTS level 3 regions of the Union along all internal and external land borders with third countries or partner countries and all NUTS level 3 regions of the Union along maritime borders separated by a maximum of 150 km of sea, without prejudice to potential adjustments needed to ensure the coherence and continuity of Interreg Plan chapter areas and where cross-border interaction may effectively take place.**
- 2. Internal cross-border cooperation Interreg Plan chapters may cover regions in Norway, Switzerland and the United Kingdom which are equivalent to NUTS level 3 regions as well as Andorra, Liechtenstein, Monaco and San Marino.**
- 3. For external cross-border cooperation, the regions to be supported by the Global Europe instrument shall be NUTS level 3 regions of the respective partner country or, in the absence of a NUTS classification, equivalent areas along all land and maritime borders between Member States and partner countries eligible under the Global Europe instrument, without prejudice to potential adjustments needed to ensure the coherence and continuity of Interreg Plan chapter areas.**

Article 7b

Geographical coverage for transnational cooperation

- 1. For transnational cooperation, the regions to be supported by the Fund under the Interreg Plan shall be the NUTS level 2 regions of the Union, including outermost regions, covering larger transnational territories and taking into account, where applicable, macro-regional strategies or sea-basin strategies.**
- 2. At the request of the Member State or Member States concerned when submitting a transnational cooperation chapter, that chapter may also include one or more outermost regions from the Member State or Member States concerned.**

3. **Transnational cooperation chapters may cover the following territories, whether or not they are supported from the Union budget:**
 - (a) **regions in Iceland, Norway, Switzerland and the United Kingdom as well as Andorra, Liechtenstein, Monaco and San Marino;**
 - (b) **OCTs;**
 - (c) **the Faroe Islands;**
 - (d) **regions of partner countries under the Global Europe instrument.**
4. **The non-Member States and the regions referred to in paragraph 3 shall be NUTS level 2 regions or, in the absence of a NUTS classification, equivalent areas.**

Article 7c

Geographical coverage for interregional cooperation

1. **For interregional cooperation, the entire territory of the Union, including the outermost regions, shall be supported by the Fund through the Interreg Plan.**
2. **Interregional cooperation chapters may cover the whole territory of non-Member States or part thereof.**

Article 7d

Geographical coverage for outermost regions' cooperation

1. **For the outermost regions' cooperation, all regions listed in the first paragraph of Article 349 TFEU shall be supported by the Fund through the Interreg Plan.**
2. **Interreg Plan chapters involving the outermost regions may cover non-Member States or parts thereof.**

[Article 7e

Resources allocated to the Interreg Plan per strand]

Article 8

Requirements for the Interreg Plan chapters

1. The Interreg Plan shall include Interreg Plan chapters. Each chapter shall correspond to cooperation in a given geographical area.
 - 1a. **The participating Member States and, where applicable, non-Member States shall prepare an Interreg Plan chapter in accordance with the template set out in the Annex.**
 - 1b. **The participating Member States and where applicable, non-Member States shall prepare an Interreg Plan chapter in cooperation with the relevant partners referred to in Article 6 of [NRP Regulation]. In the preparation of chapters under the transnational cooperation strand covering macro-regional or sea-basin strategies, the participating Member States and non-Member States and their regions shall take into account the thematic priorities of the relevant macro-regional and sea-basin strategies and consult the relevant actors, as well as ensure that these actors at macro-regional and sea-basin level are included in the partnership in line with Article 6 of [NRP Regulation] from the start of the programming period.**
2. The Member State hosting the prospective managing authority shall submit an Interreg Plan chapter to the Commission at the latest ~~six~~**nine** months after the entry into force of this Regulation on behalf of ~~all~~-participating Member States and non-Member States, **once they have confirmed in writing their agreement on the content and the financial resources. Such confirmation may take the form of a letter, formally approved minutes of a consultation meeting, or any other written format.**

3. Each chapter of the Interreg Plan shall set out the following elements in line with the template set out in the Annex to this Regulation. The Interreg Plan chapter shall:
- (a) indicate the strand of Interreg cooperation concerned and geographical coverage;
 - (b) describe the intervention strategy of the Interreg Plan chapter based on a clear analysis of territorial needs and gaps in the area covered, identifying the measures for cooperation, including any measures for territorial or local ~~development~~**development** and explaining how these measures are expected to contribute to ~~the objectives set out in Articles 2 and 3 [policy objectives] of Regulation (EU) [NRP Regulation] and the Interreg-specific~~**one or more of the relevant specific** objectives referred to in paragraph 4 of Article 7 of this Regulation~~and to transition to climate neutrality~~;
 - (c) provide a list and description of measures, including the general and specific objectives that each measure primarily pursues and the list of envisaged milestones and targets, with their indicative completion date during the programming period. The indicators proposed for the targets shall be based on the output indicators listed in Annex I to Regulation XX [Performance]~~except where duly justified~~, **unless none of those indicators are adequate, in accordance with Article 14(2) of Regulation (EU) 202X/XXXX [Performance Regulation]**;
 - (d) set out the total estimated costs of the measures, **for a total amount at least equivalent to the sum of the Union financial contribution, excluding technical assistance, and the national contribution** together with information on existing or planned Union financing where relevant, backed up by appropriate justification and by explanations of how it is in line with the principle of cost efficiency, sound financial management and commensurate to the expected economic and social impact;

- (e) ~~set out clear~~**describe** arrangements for the effective monitoring and implementation of the Interreg Plan chapter ~~by each Member State~~, including the responsible authorities and ~~created monitoring committees~~**committee** reflecting the objective of establishing a robust ~~multi~~**multilevel** governance system based on the partnership principle, and also the envisaged approach to information, communication and visibility in line with the rules laid down in Regulation xx[Performance Regulation];
- (f) promote partnership and knowledge exchange by setting out which stakeholders have been consulted, how they were selected, how their representativeness has been ensured and how their input is reflected in the Interreg Plan chapter in line with the code of conduct on partnership, and by including a summary of the consultation process conducted for the preparation of the Interreg Plan chapter;
- (g) set out the apportionment of liabilities among the participating Member States and, where applicable, non-Member States, in the event of financial corrections imposed by the managing authority or the Commission in accordance with the rules governing the ~~NRP~~Fund and set out in **Article 68 of** Regulation (EU) [NRP Regulation];
- (h) explain the arrangements and systems to ensure a regular, effective and efficient use of Union resources, in compliance with sound financial management and the protection of the financial interests of the Union.

3a. Only measures the implementation of which started as from 1 January 2028, or the second phases of measures as referred to in Article 79 of [NRP Regulation], shall be eligible for financing provided that they comply with the requirements set out in this Regulation and Regulation [NRPP].

Approval and amendment of the Interreg Plan

1. The Commission shall **be empowered to** adopt an implementing act, in accordance with the **examination** procedure referred to in Article ~~13(2)~~**14(2)** [Committee Procedure], setting out:
 - (a) the list of Interreg Plan chapters, the designation of the respective chapter **geographical** areas and the ~~indicative~~ allocation from the Fund **to each chapter** and, where applicable, from the Global Europe Instrument **and specific rules for pre-financing for the Interreg Plan chapters supporting cooperation on external borders;**
 - (b) where appropriate, **to ensure a consistent approach**, detailed arrangements covering ~~the specific implementation modalities of Interreg to ensure a consistent approach~~ **regards: the role and the tasks of the lead partner; small project funds, partnership within Interreg operations, management verifications and audits; the requirements for group of auditors and controllers; the modalities for costing including the use of simplified cost options and the implementation of integrated territorial development including Community-Led Local Development strategies.**

The implementing elements referred to in paragraph 1 shall constitute the general part of the Interreg Plan.

- 1a.** The elements referred to in ~~the first sub~~paragraph **1**, point (a) shall be established on the basis of the information provided by each Member State on the planned distribution **by chapter** of its share in the Interreg Plan allocation pursuant to the methodology established in Annex ~~III~~ [Methodology for the calculation of the **Union** financial contribution for each Member state under the ~~Fund~~**Interreg Plan**] to Regulation (EU) [NRP Regulation].

~~The implementing act referred to in the first [sub]paragraph shall constitute the general part of the Interreg Plan.~~

- 1b. **Each Member State may transfer up to 20% of its allocation for each of the strands referred to in Article 7 (1) points (a) and (b), to one or more of the strands referred to in Article 7 (1) points (a), (b) and (d).**

2. **After submission of an Interreg Plan chapter by the Member State hosting the managing authority, in accordance with paragraph 2 of Article 8, the Commission shall assess the Interreg Plan chapters or the amended Interreg Plan chapters submitted by the Member State hosting the managing authority within 4 months of their submissionchapter.**
 When carrying out its assessment, the Commission shall verify that the Interreg Plan chapter complies with all requirements in Article 58 and follows the template set out in the Annex to this Regulation [Interreg chapter template]. The Commission may make observations and request additional information. The deadline for the approval shall be ~~interrupted~~**suspended** from the day following the date following that on which Commission sends its observations or a request for revised documents to the Member State and until the Member State responds to the Commission.

3. ~~Where the Interreg Plan chapters or the amended Interreg Plan chapters submitted by the Member State hosting the managing authority fulfill all~~**chapter complies with the** requirements **set out** in Article 8 ~~and follow the template set out in the Annex to this Regulation,~~ the Commission shall, **adopt a decision** by means of an implementing act, ~~approve those~~ **approving the** Interreg Plan chapters ~~[or amended Interreg Plan chapters]~~**chapter not later than four months after the date of its submission.**

4. ~~Following the approval of Interreg Plan chapters pursuant to paragraph 3, the Commission may, by means of implementing acts, approve the Interreg Plan chapters submitted subsequently fulfilling all the requirements referred to Article 8 [Requirements for the Interreg Plan chapters] and following the template set out in the Annex to this Regulation [Interreg chapter template] every three months. In other cases, the Commission may approve modifications to the Interreg Plan chapters every six months, following a request by~~ The Member State hosting the managing authority **of a chapter may submit a reasoned request for amendment of their Interreg Plan chapter. The Commission shall assess the compliance of the requested amendment with Article 8 and may make observations and request additional information. The deadline for the approval by the Commission shall be suspended from the day following the date on which the Commission sends its observations or a request for revised documents to the Member State and until the Member State responds to the Commission. The Commission shall adopt a decision by means of an implementing act approving the amendments to the Interreg Plan chapter and amending the Commission decision referred to in paragraph 3 not later than four months after the date of the submission of the amendment request.**
- 4a. The adoption of the Commission decision approving the Interreg Plan chapter shall not be required for corrections of a purely clerical or editorial nature or in the case of minor adjustments to the Interreg Plan chapter, representing an increase or decrease of less than 15 % of a target set out in the Interreg Plan chapter. The managing authority shall apply those rules only once per target until the next decision on the amendment of the Interreg Plan chapter and shall notify the Commission of such adjustments.

5. The ~~implementing acts~~ **Commission decision** provided for in paragraphs 3 and 4 shall set out for each Interreg Plan chapter:
- (a) the total estimated costs of the Interreg **Plan** chapter, ~~established by the Commission on the basis of a proposal by the Member State hosting the managing authority;~~
 - (b) the amount of the financial contribution from Regulation (EU) [NRP Regulation] and, where applicable, the amount of the financial contribution from the Global Europe Instrument and the amount of national contribution ~~other than national co-financing~~ **from non-Member States;**
 - (c) the amount of the total Union contribution per year, as referred to in Article 14 [commitment] of Regulation (EU) [NRP Regulation];
 - (d) the amount of pre-financing to be paid and whether the pre-financing is to be paid in full in the year of approval of the chapter or in tranches in accordance with paragraph 2 of Article 17 of Regulation (EU) [NRP Regulation].

Member States shall ensure that the amount of estimated total costs of their Interreg Plan chapters remains reasonable and plausible throughout implementation, in accordance with the principle of sound financial management.

The Member State and, where applicable, the non-Member State participating in the Interreg Plan chapter may decide to set aside the payout values for reforms from investments.

6. The decision **referred to in paragraphs 3 and 4** approving the relevant Interreg Plan chapter **or its amendment** shall constitute a financing decision within the meaning of Article 110(1) of Regulation (EU, Euratom) 2024/2509 and its notification to the Member State hosting the managing authority shall constitute a legal commitment.

7. The amount of the Union financial contribution, national contribution by **Member States and non-Member States** and ~~national co-financing~~ envisaged under the Interreg Plan chapter, taken in their total, shall not exceed the total estimated costs of the chapter.

Article 10

Functions of authorities responsible for the Interreg Plan chapter and the monitoring committee

1. Member States and, where applicable, non-Member States participating in an Interreg Plan chapter shall identify a single managing authority and a single audit authority **for that Interreg Plan chapter** which shall be located in the same Member State. ~~A coordinating authority as referred to in Article 49 of Regulation (EU) [NRP Regulation] shall not be identified for the Interreg Plan.~~

To ensure continuity and cost-effectiveness, Member States may build upon the existing governance structures and institutions.

2. In addition to Article ~~50~~**51** of Regulation (EU) [NRP Regulation], ~~each~~**the** managing authority of ~~each~~ Interreg Plan chapter shall be responsible for managing the chapter with a view to delivering its objectives and shall be responsible for:
- (a) drawing up and submitting payment applications for the chapter of the Interreg Plan to the Commission in accordance with Article ~~63~~ [payments]**65 [Submission and assessment of payment applications]** and the template set out in Annex XI of Regulation (EU) [NRP Regulation];
 - (b) providing forecasts of the amount for payment applications to be submitted for the current and subsequent calendar year by ~~15 February~~**31 January** and 31 July in accordance with the template in Annex X [payment forecasts] to Regulation (EU) [NRP Regulation];

- (c) signing and providing the management declaration referred to in Article ~~XX(1)~~**59(1)** point ~~(a)~~**(c)** [Annual assurance package] of Regulation (EU) [NRP Regulation] in accordance with the template set out in Annex XII to that Regulation;
- (d) coordinating and submitting to the Commission all the documents requested as part of the annual assurance package referred to in Article ~~70~~**[59 [submission of the annual assurance package]** of Regulation (EU) [NRP Regulation].
- (e) **ensuring that the document provided to the lead or sole partner referred to in Article 51(1)(i) of Regulation (EU) [NRP Regulation] also sets out obligations with regard to recoveries.**

The Member State hosting the managing authority may entrust the task referred to in points (a) and (b) of paragraph 1 to another body under the responsibility of the managing authority. The audit authority shall draw up and provide to the managing authority the documents set out in point (d) of paragraph 1.

3. The Member State and, where applicable, the non-Member State participating in the Interreg Plan chapter, may decide that management verifications referred to in Article ~~XX~~**51** [function of the managing authority] of Regulation (EU) [NRP Regulation] are to be done through the identification by each Member State **and non-Member State** of a body ~~or person~~ responsible for such verification ~~in~~ on its territory. ~~The Commission may lay down further requirements to be met by such bodies or persons in the implementing act provided for in Article 9(1) [approval and amendment~~ **(the 'controller')**. **Any controller shall be functionally independent from the audit authority or any member of the Interreg Plan group of auditors. Where it has been decided that management verifications are carried out by identified controllers pursuant to the first sub-paragraph, the managing authority shall satisfy itself that the management verifications have been carried out by an identified controller.**

Each Member State and non-Member State shall be responsible for verifications carried out on its territory.

4. ~~The managing authority shall be assisted by the joint secretariat, with staff representing States participating in the Interreg Plan chapter. The joint secretariat shall assist~~ The managing authority and the monitoring committee **shall be assisted by the joint secretariat** in carrying out their respective functions. The joint secretariat shall also provide information to potential beneficiaries about funding opportunities under Interreg ~~programmes~~**chapters** and shall assist beneficiaries and partners in the implementation of operations.
5. In addition to the rules laid down in Article ~~52~~**53** [functions of the audit authority] of Regulation (EU) [NRP Regulation], for the purpose of the Interreg Plan chapters, where the audit authority does not have the authorisation to carry out its tasks in the whole territory covered by ~~a cooperation programme~~**the chapter**, it shall be assisted by a group of auditors composed of a representative from each Member State and, where applicable, non-Member States participating in the Interreg ~~programme~~**Plan chapter**. **In such cases**, each Member State and, where applicable, non-Member State shall be responsible for audits carried out on its territory.
6. ~~A monitoring committee shall be established for each Interreg Plan chapter. The monitoring committee shall be responsible for selection of Interreg operations, in accordance with the Interreg Plan chapter's strategy and objectives. The Commission may lay down further requirements to be met by the monitoring committee in the implementing act provided for in Article 9(1) [approval and amendment of the Interreg plan].~~

Article 10a

Monitoring committee and steering committee

- 1. The Member States and, where applicable, non-Member States participating in an Interreg Plan chapter shall set up, in agreement with the managing authority for that chapter, a committee to monitor implementation of the respective Interreg Plan chapter ('monitoring committee') within three months of the date of notification to the Member States of the Commission decision approving an Interreg Plan chapter pursuant to Article 9. That monitoring committee may set up one or more steering committees which act under its responsibility for the selection of operations. Steering committees shall apply the partnership principle as set out in Article 6 of Regulation (EU) [NRP Regulation].**
- 2. Each monitoring committee shall adopt its rules of procedure. The rules of procedure of the monitoring committee and, where applicable, of the steering committee shall prevent any situation of conflict of interest when selecting Interreg operations and shall include provisions regarding voting rights and rules for attending the meetings.**
- 3. The monitoring committee shall meet at least once a year and shall review all issues that affect the progress in implementation of the measures included in the Interreg Plan chapter.**
- 4. The managing authority shall publish the rules of procedures of the monitoring committee and a summary of both data and information, including decisions, approved by the monitoring committee on the website referred to in Article 64 of Regulation (EU) [NRP Regulation].**

Article 10b

Composition of the monitoring committee

- 1. The composition of the monitoring committee of each Interreg Plan chapter shall be agreed by the Member States and, where applicable, by non-Member States participating in that Interreg Plan chapter, and shall ensure a balanced representation of:**
 - (a) the relevant authorities;**
 - (b) bodies jointly set up in the whole or part of the Interreg Plan chapter area, including, where appropriate, European groupings of territorial cooperation (EGTCs) set up pursuant to Regulation (EC) No 1082/2006 of the European Parliament and of the Council⁹; and**
 - (c) representatives of the partners referred to in Article 6 of Regulation (EU) [NRP Regulation] from Member States and non-Member States.**

The composition of the monitoring committee shall take into account the number of Member States and non-Member States participating in the Interreg Plan chapter concerned.

- 2. The managing authority shall publish a list of the members of the monitoring committee on the website referred to in Article 64 of Regulation (EU) [NRP Regulation].**
- 3. Representatives of the Commission shall participate in the work of the monitoring committee in an advisory capacity.**

⁹ **Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC) (OJ L 210, 31.7.2006, pp. 19–24).**

Article 10c

Functions of the monitoring committee

- 1. The monitoring committee shall examine:**
 - (a) the progress in implementation of the measures included in the Interreg Plan chapter and in achieving the milestones and targets of those measures;**
 - (b) any issues that affect the performance of the Interreg Plan chapter and the measures taken to address these issues;**
 - (c) the progress made in carrying out evaluations, syntheses of evaluations and any follow-up given to findings;**
 - (d) the implementation of information, communication and visibility actions;**
 - (e) the progress in administrative capacity building for public institutions and beneficiaries, where relevant; and**
 - (f) the effective functioning of the partnership as regards the Interreg Plan chapter.**
- 2. The monitoring committee shall approve for the Interreg Plan chapter under its responsibility:**
 - (a) any proposal for the amendment of the Interreg Plan chapter;**
 - (b) the methodology and criteria for the selection of operations, including any changes thereto. The criteria applied and procedures used shall be non-discriminatory, inclusive and transparent, ensuring accessibility to persons with disabilities, ensuring gender equality, and take account of the Charter of Fundamental Rights of the European Union.**

The criteria and procedures [for the selection of operations] shall ensure that selected operations do not conflict with the existing EU macro-regional or sea-basin strategies, territorial strategies established under the NRP Plans, or strategies established under Global Europe Instrument covering the same cooperation area and the prioritisation of operations to be selected with a view to maximising the contribution of Union funding to the achievement of the objectives of the Interreg Plan chapter and its measures and to implementing the cooperation dimension of operations;

(c) the evaluation roadmap and any amendment thereto.

- 3. The monitoring committee shall be responsible for selection of Interreg operations, in accordance with the Interreg Plan chapter's strategy and objectives.**

Article 10d

Selection of operations

- 1. When all or part of an operation is implemented outside the Interreg Plan chapter area inside or outside the Union, the selection of that operation shall require the explicit approval by the managing authority in the monitoring committee or, where applicable, the steering committee.**
- 2. When the operation involves one or several partners located in the territory of a Member State or non-Member State which is not represented in the monitoring committee, the managing authority shall condition its explicit approval to the submission of a written acceptance by the concerned Member State or non-Member State to reimburse any amounts unduly paid to these partners. Additionally, such acceptance may be subsequently given by any of the Member States or non-Member States represented in the monitoring committee.**

3. **When that written acceptance cannot be obtained, the body implementing all or part of an operation outside the Interreg Plan chapter area shall obtain a guarantee from a bank or another financial institution or another public entity approved by the managing authority for the corresponding amount of the Interreg funds granted. Such a guarantee shall be included in the document provided to the lead or sole partner setting out the conditions for support of the Interreg operation.**
4. **In selecting operations, the monitoring committee or, where applicable, the steering committee shall verify that the beneficiary has the necessary financial resources and mechanisms to cover operation and maintenance costs in line with article 69(1) of [the NRPP Regulation] for operations comprising investment in infrastructure or productive investment, so as to ensure their financial sustainability.**

Article 10e

Small Project Funds

1. **The total contribution from the ERDF or, where applicable, from the Global Europe Instrument , to small project funds within an Interreg Plan chapter shall not exceed 20 % of the total allocation of the Interreg Plan chapter.**

The recipients within a small project fund shall receive support from the ERDF or, where applicable, from the Global Europe Instrument through the beneficiary and implement the small projects within that small project fund ('small project').

2. **The small project fund constitutes an operation, which shall be managed by a beneficiary, taking into account its tasks and remuneration.**

The beneficiary shall be a cross-border legal body or an EGTC or a body which shall have legal personality.

The beneficiary shall select the small projects which are implemented by the recipients within the meaning of Article 4, paragraph 5 of [NRP Regulation]. Where the beneficiary is not a cross-border legal body or an EGTC, a body involving representatives from at least two participating countries, of which at least one is a Member State, shall select the joint small projects.

- 3. The document setting out the conditions for support to a small project fund shall, in addition to the elements laid down in Article 10d of this Regulation, set out the elements necessary to ensure that the beneficiary:**
 - (a) establishes a non-discriminatory and transparent selection procedure;**
 - (b) applies objective criteria for the selection of small projects, which avoid conflicts of interest;**
 - (c) assesses applications for support;**
 - (d) selects projects and fixes the amount of support for each small project;**
 - (e) is accountable for the implementation of the operation and keeps at its level all supporting documents required for the audit trail; and**
 - (f) makes available to the public the list of the recipients which benefit from the operation.**

The beneficiary shall ensure that the recipients comply with the communication requirements set out in Article 18 of [Performance Regulation].

- 4. The selection of small projects shall not constitute a delegation of tasks from the managing authority to an intermediate body as referred to in Article 4, paragraph 4a of [NRP Regulation].**

Provisions for non-Member States

1. The contribution from Regulation (EU) [NRP Regulation] to the Interreg Plan chapters to be also supported from the Global Europe Instrument, including for outermost regions, shall be established by the Commission and the Member States concerned. The contribution established for each Member State shall not subsequently be reallocated between the Member States concerned. The respective contributions from the Global Europe Instrument to Interreg Plan chapters shall take account of the involvement of Member States and the beneficiaries of the Global Europe Instrument. Support provided under Regulation (EU) (EU) [NRP Regulation] shall be granted to external ~~cross-border~~ cooperation chapters provided that **at least equivalent amounts are provided for cross-border cooperation and** proportionate amounts ~~are provided for transnational interregional and outermost regions cooperation~~ by the Global Europe Instrument.
2. For the implementation of an Interreg Plan chapter under shared management in a non-Member State, a financing agreement shall be concluded between the Commission, representing the Union, and each participating non-Member State, represented in accordance with its national legal framework, **except in the context of internal cross-border cooperation, in accordance with Article 7a (2)**. That financing agreement shall be considered to be a tool to implement the Union budget in accordance with Regulation (EU, Euratom) 2024/2509.

The Member State hosting the managing authority of the relevant Interreg Plan chapter, represented in accordance with its national legal framework, may also be a party to the financing agreement.

Where a non-Member State ~~is required to transfer~~ **transfers** to the managing authority a financial contribution to support the Interreg Plan chapter, other than ~~its co-financing of the Union support (any ‘national contribution’)~~ **in the meaning of Article 20 [NRP Regulation]**, the rules concerning the national contribution shall be set out in the financing agreement.

Any financing agreement shall be concluded by 31 December of the year following the year when the first budget commitment was made and shall be considered to be concluded on the date when the last party has signed it. Where an Interreg Plan chapter involves more than one third country, at least one financing agreement shall be concluded before the date of signature specified in the first sentence.

3. Where the implementation of an operation requires procurement of service, supply or works contracts by a beneficiary which is a public authority located in a non-Member State, that beneficiary may apply either of the following:
 - (a) national laws, regulations and administrative provisions of the non-Member State concerned provided that the financing agreement allows it and that the contract is awarded to the tender offering best value for money, or, as appropriate, to the tender offering the lowest price, while avoiding any conflict of interests;
 - (b) the procurement procedures provided for in Articles 181 and 182 of Regulation (EU, Euratom) 2024/2509.

Article 12

Return of resources and discontinuation

1. If, by ~~[2029 or]~~ **31 March** 2030, the Interreg Plan chapter has not been submitted to the Commission ~~by 31 March of the year concerned~~, the annual contribution from the ~~NRRP~~ **Fund** to that Interreg Plan chapter shall be re-allocated to ~~another~~ **one or more** Interreg Plan chapter in which the Member ~~State~~ **States** concerned ~~participates~~ **participate**.
2. If, by 31 March 2031, there are still Interreg Plan chapters, which have not been submitted to the Commission, the contribution from the ~~NRRP~~ **Fund** to those Interreg Plan chapters for the remaining years up to 2034, which has not been re-allocated to another Interreg Plan chapter shall be allocated to the Interreg Plan chapter in which the Member State concerned participates.

3. Any Interreg Plan chapter that has already been approved by the Commission shall be discontinued or its allocation shall be reduced, in accordance with the applicable rules and procedures, in particular if:
- i. none of the partner countries covered by the ~~external cross-border~~ Interreg Plan chapter ~~concerned~~ **supporting cooperation on external borders** has signed the relevant financing agreement by the deadlines set out in accordance with Article ~~[XX]~~ **11(2) of this Regulation**; or
 - ii. the Interreg Plan chapter cannot be implemented as planned due to problems in the relations between the participating countries.

In cases referred to in the first subparagraph, the contribution from the NRP referred to in paragraph 1 corresponding to annual instalments not yet committed, or annual instalments committed and decommitted totally or partially during the same budgetary year, which have not been re-allocated to another Interreg Plan chapter shall be allocated to another Interreg Plan chapter in which the Member State concerned participates.

4. The contribution from [external funds] reduced pursuant to this Article shall be used in accordance with the [Global Europe] Regulation respectively.

Article 12a

Recoveries

1. **The managing authority of an Interreg Plan chapter shall ensure that any amount unduly paid is recovered in the first instance from the lead or sole partner. Partners shall repay to the lead partner any amounts unduly paid.**

- 2. The Member States, or, where applicable, the non-Member State participating in a given Interreg Plan chapter may decide that the lead or sole partner and the managing authority for the concerned chapter are not obliged to recover an amount unduly paid to any of the partners that does not exceed EUR 250 not including interest, in contribution from the resources from the Fund and Global Europe to an operation in a financial year. No information needs to be provided to the Commission beyond the information about making such decision pursuant to the first subparagraph.**
- 3. Where the lead partner does not succeed in securing repayment from other partners or where the managing authority does not succeed in securing repayment from the lead or sole partner, the Member State or non-Member State on whose territory the partner concerned is located, shall reimburse the managing authority any amounts unduly paid to that partner. In the case of an EGTC, a joint responsibility of partners shall be sought.**
- 4. Once the Member State or, where applicable, the non-Member State has reimbursed the managing authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner pursuant to its national law. In the event of successful recovery, the Member State or, where applicable, the non-Member State may use those amounts for the national contribution of the Interreg Plan chapter concerned. The Member State or, where applicable, the non-Member State shall not have any reporting obligations towards the responsible authorities, the monitoring committee or the Commission with regard to such national recoveries.**
- 5. Where a Member State or, where applicable, the non-Member State has not reimbursed the managing authority any amounts unduly paid to a partner pursuant to paragraph 4 of this Article.**

The managing authority shall then offset with regard to that Member State, in accordance with the apportionment of liabilities among the participating Member States set out in the Interreg Plan chapter.

With regard to amounts not reimbursed to the managing authority by a non-Member State, the offsetting shall concern subsequent payments to programmes under the Global Europe Instrument of the Union under Commission responsibility.

In case of corrections imposed by the Commission for non-fulfilment of milestones and targets, the recovery of the amounts to be returned to the Interreg Plan chapter concerned will be carried out in accordance with the apportionment of liabilities among the participating States.

- 6. This Article shall be without prejudice to the Commission's powers to apply financial corrections in accordance with Article 68 [NRP Regulation], as appropriate.**

Article 12b

Submission of payment applications

In accordance with Article 65 of Regulation (EU) [NRP Regulation], payments by the Commission shall be made in accordance with the budget appropriations and subject to the available funding. The Managing Authority for the Interreg chapter shall submit to the Commission a payment application in accordance with the template set out in Annex XI of [NRP Regulation] up to ten times per calendar year. The amounts included in a payment application shall correspond to the amounts justified by the fulfilment of payout values of fulfilled milestones and targets, in accordance with the decision approving the Interreg Plan chapter and based on the evidence collected and verified by the Managing Authority.

~~PEACE PLUS~~PEACEPLUS

1. A ~~PEACE PLUS~~PEACEPLUS chapter shall cover cooperation between the border counties of Ireland and Northern Ireland, which shall be implemented under shared management both in Ireland and in the United Kingdom.
2. The Special EU Programmes Body, where it is identified as the managing authority, shall be considered to be located in a Member State.
3. The financial contribution to Union activities from the United Kingdom for its participation in the ~~PEACE PLUS~~PEACEPLUS chapter, in the form of external assigned revenue as referred to in Article 21(2), point (e), of Regulation (EU, Euratom) 2024/2509, shall be part of the budget appropriations for [Heading 1, [...], sub-programme ‘Interreg Plan’].

That contribution shall be subject to a specific financing agreement with the United Kingdom in accordance with paragraph (2) of Article 11. The Commission and the United Kingdom as well as Ireland shall be parties to this specific financing agreement.

4. Where the ~~PEACE PLUS~~PEACEPLUS chapter is acting in support of peace and reconciliation, it shall also contribute to promoting social, economic and regional stability in the regions concerned, in particular through actions to promote cohesion between communities.
5. Where the ~~PEACE PLUS~~PEACEPLUS chapter is acting in support of peace and reconciliation, operations being supported may have partners from only one participating country.

CHAPTER III

Final provisions

Article 14

Committee procedure

1. The Commission shall be assisted by a committee which shall be set up in accordance with Article ~~8888~~**(1)** [NRP].
2. **Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.**

Article 15

Entry into force and application

This Regulation shall enter into force on the ~~twentieth~~ day following that of its publication in the Official Journal of the European Union.

It shall apply from the date of application of Regulation (EU) [...] establishing the European Fund for economic, social and territorial cohesion, agriculture and rural, maritime, prosperity and security for the period 2028-2034.

This Regulation shall be binding in its entirety and directly applicable in all Member States in accordance with the Treaties.

Done at Brussels,

For the European Parliament For the Council

The President The President

ANNEX

to the

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

~~establishing~~ on the European Fund for Regional Development Fund including for European Territorial Cooperation (Interreg) and the Cohesion Fund as part of the Fund set out in Regulation (EU) [NRP] and establishing conditions for the implementation of the Union support to regional development from 2028 to 2034

ANNEX

TEMPLATE FOR THE INTERREG PLAN CHAPTER

The reference/name of the Interreg **Plan** chapter and **Strand of Interreg cooperation**

Reference: Article 8(3)(a)

<u>CCI</u>	<u>Chapter title</u>	Strand of Interreg cooperation	<u>Version</u>
	Text field [250]	Text field [250]	

The map of the geographical areas and countries covered.

Text field [number of characters]
Text field [250]

Strand of Interreg cooperation

Text field [250]

1. Interreg Plan Chapter strategy

Reference: Article 8(3)(b) and (c)

The map of the geographical areas and countries covered.

Text field [number of characters]

(a) The intervention strategy of the Interreg **Plan** chapter based on a clear analysis of territorial needs and gaps in the area covered,

Text field [53 000]

(b) Identification of the measures for cooperation, including any measures for territorial or local development and an explanation how these measures are expected to contribute **to one or more of the relevant specific objectives defined in Article [policy objectives] of the [NRPF] regulation and in Article 6 referred to in paragraph 4 of Article 7 of this Regulation,**

Measure <u>ID</u>	Name of measure	Relevant <u>Primary specific policy objective or Interreg specific objective supported *</u>	<u>Secondary specific objective or Interreg specific objective supported (if applicable)</u>	Explanation of the contribution
				Text field [2 000]

- * Considering the multidimensional aspect of investments and reforms financed by the Interreg Plan chapters, each measure may be assigned to two specific objectives, including Interreg specific objectives:
- a ‘primary’ assignment to the specific objective predominantly related to the measure at stake;
 - a ‘secondary’ assignment to capture a specific subset of the primary assignment, the possible spill-over effects on a second specific objective, or the nature of beneficiaries targeted by the measure.

2. Measures of the Interreg Plan chapter

(a) Description of measures

Reference: Article 8(3)(c) and (d)

Measure ID	Name of measure title	Description of the measure including the main actions envisaged and supported target groups	Union contribution (EUR)	Total estimated cost (EUR)
		Text field [2 000]		
<u>Technical assistance*</u>				

* Set as a flat rate in accordance with Article 13(2) [NRP proposal]

(b) Territorial dimension of the measure

Reference: Article 14(4) and Annex II of Regulation XX [Performance Regulation]

Measure ID	Type of territory targeted	Type of territory targeted bis (where applicable)	Measure for an outermost region/Small Aegean Islands/northern sparsely populated area/eastern border region (where applicable)	Territorial tools (where applicable)
	[tick box or drop down menu] [code for territory type dimension: 01 Urban areas 02 Rural areas 05 Other types of territories targeted 07 No territorial targeting]	[tick box or drop down menu] [code for territory type dimension: 03 Areas affected by industrial transition or 04 Islands and coastal areas] or 05 Mountainous areas	[tick box for each type of territory] [Code for territory type dimension: 01 Outermost regions 02 Small Aegean Islands 03 Eastern border regions 04 Northern Sparsely Populated Areas	[tick box or drop down menu] [Code for the territorial initiative and local cooperation dimension: 01 Integrated territorial and urban development 02 Community-led local development, including LEADER 03 Other territorial tools

(c) Gender equality assessment of the measure

Reference: Article 13 of Regulation XX [Performance regulation]

Information on how measures included comply with the principle of gender equality taking into account the gender mainstreaming methodology.

Measure ID	Intervention field	Gender equality score
Measure ID 1	IF1	Drop down menu gender equality score 2 gender equality score 1 gender equality score 0
	IF2	
Measure ID 2	IF	

(d) Do No Significant Harm assessment of the measure

Reference: Article 13 of Regulation XX [Performance regulation]

Measure ID	Intervention field	DNSH assessment [1 000]
Measure ID 1	IF1	
	IF2	
Measure ID 2		

Text field [2 000]

3. Milestones, targets and result indicators

for each measure,

(a) Milestones, ~~and~~ targets and timeline

Reference: Article 8(3)(c)

Table containing milestones, targets and timeline for the chapters with the following information:

Measure ID	Name of the measure	Specific Objective	Intervention field	Milestone or target (reference number)	Name of Indicator for the milestone/target as established in Regulation XXX (Performance Regulation)/ or measure-specific unless none of those indicators are adequate*	Idicative timeline for achievement	Unit of measurement Baseline	Description of each milestone and target [1000]				Pay-out value [relevant for COM payments to the managing authority] the milestone or target	
								Baseline	Target	Quarter	Year	[Text field 1 000]	

* If an indicator is not established in the Regulation XX [Performance Regulation], the unit of measure needs to be indicated.

(b) Result indicators

<u>Measure ID</u>	<u>Intervention field</u>	<u>Milestone or target (reference number)</u>	<u>Result indicators</u>			
			<u>Name</u>	<u>Baseline</u>	<u>Estimated value</u>	<u>Year of achievement</u>
<u>Measure 1</u>	<u>IF 1</u>	<u>ID</u>	- <u>GHGE avoided (where relevant):</u> - <u>Amount of investment mobilised (where relevant):</u> - <u>Other indicator component 1:</u> - <u>Other indicator component 2:</u> - <u>(...)</u>			
	<u>IF 2</u>	<u>ID</u>				

3. — Financing and costs of the measures

Reference: Article 8(3)(d)

For each measure:

(a) Costing of measures

Chapter ID	Measure ID	Reform/Investment	Total Estimated Total Cost (EUR)	Union contribution (EUR)	Resulting national contribution (%)			Indicative breakdown of the total cost of the measure by intervention field	Methodology used and description of the total estimated costs including the source and mentioning the past investment/reform projects that are benchmarks for the cost estimate and source of costs for these projects based on historical data	Justification on the plausibility and reasonability of the total estimated costs, including audit authority assessment where necessary taking into account national and regional specificities and adjustment methods	Type of financial instrument [where applicable] (guarantee, equity or loan)	Type of territory targeted
					%	Indicative public contribution (EUR)	Indicative private contribution (EUR)		[3000]	[3000]		[code for territory type dimension]

For each measure:

~~(a) Costing of measures~~

(b) Verification of the ~~fulfilment~~ achievement of milestones and targets

Measure ID	Measure title	Milestones/ targets	Describe what document(s)/system will be used to verify the fulfilment achievement of the result or condition (and where relevant, each of the intermediate deliverables); Describe how management verifications (including on-the-spot) will be carried out; Describe what arrangements will be made to collect and store relevant data/ documents.	Measure ID Arrangements to ensure the audit trail Please list the body(ies) responsible for these arrangements.
			[2 000]	[1 000]

34. Arrangements for the implementation of the Interreg Plan chapter

(a) Arrangements for the effective monitoring and implementation of the **Interreg Plan** chapter

Reference: Article 8(3)(e)

Managing authority: description of how the managing authority will manage the Interreg Plan chapter in accordance with Article 51 [functions of the managing authority] NRP Regulation and Article 10 of this Regulation

Text field [13 000]

Audit authority: description

Text field [1 000]

Monitoring committee: description of the organisation and structure of monitoring committee; the arrangements envisaged to ensure the monitoring of the Plan is in line with Article 10a

Text field [1 000]

(a bis) Description of the envisaged approach to information, communication and visibility for the Interreg Plan chapter

Reference: Article 8(3)(e)

Description of the arrangements to ensure the visibility of the Union funding, in particular when promoting the actions and their results and inform recipients of the existence of Union support or oblige other financial intermediaries to inform such final recipients of that support.

Text field [2 000]

(b) Arrangements and systems to ensure a regular, effective and efficient use of EU resources, in compliance with sound financial management and the protection of the financial interests of the Union in line with Article ~~58 NRPXX~~ [Responsibilities of Member States for the Interreg chapter];

Reference: Article 8(3)(h)

Text field [3 000]

(c) Interreg Plan cChapter authorities

Chapter Authority	Name of the Institution [500]	Contact name [200]	Email address
Managing Authority			
National Authorities (where applicable)			
Audit Authority			
Group of auditors representatives			

(d) Summary of the consultation process conducted for the preparation of the chapter and the role of partners in implementation, monitoring and evaluation

Reference: Article 8(3)(f)

Text field [2 000]

(e) Description of the apportionment of liabilities among the participating Member States and, where applicable, non-Member States, in the event of financial corrections imposed by the managing authority or the Commission

Reference: Article 8(3)(g)

Text field [2 000]