Interreg North-West Europe 2021-2027

Programme Manual addendum for small-scale projects

February 2023

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1. Purpose of this document

This document concerns the application procedure of call 3 for small-scale projects . It is an addendum to the Interreg NWE 2020-2027 Programme Manual.

For this call, the following chapters of the Programme Manual do not apply to small-scale projects:

- Chapter 2.3 – What type of project activities should be included?
- Chapter 2.4 – How should a project be structured?
- Chapter 3 – Application and assessment at step 1
- Chapter 4 – Application and assessment at step 2
- Chapter 5.2 – Forms of support
- Chapter 5.5.5 – Advance payments
- Chapter 5.5.6 – Preparation costs
- Chapter 5.10 – Indicator framework
- Chapter 5.12.1 – Purpose of monitoring

The content of these chapters is replaced the sections below. All other chapters in the Programme Manual remain valid as reference for project implementation and closure.

Any reference to a 'step 2 application form' in the Programme Manual or in other Programme documents, should be understood/read as 'the application form' for the purpose of this call.

2. Small-scale project features, application and assessment

2.1 What type of project activities should be included?

The NWE IP defines three categories of activities which projects can undertake. Small-scale projects should design and implement only one project activity type. Communication and long-term effects activities must be incorporated in the single work package of the project and should be embedded in the work plan.

Joint strategies and action plans
The joint development and implementation of thematic and/or territorial strategies and/or action plans should aim to improve their effectiveness and coherence, and to foster transnational approaches in their design. They should result in their adoption and at least the start of implementation in regions.

- A strategy is a blueprint to achieve mid to long-term goals in a specific thematic sector and NWE region. It identifies problems that are of relevance to participating regions. It foresees the active involvement of stakeholders to build a common vision with priorities and objectives, and a commitment to work towards them.
- An action plan translates a strategy into action. It operationalises a strategy by defining specific goals, setting objectives, and planning specific actions in detail with a clear timeline for achieving them. An action plan includes clear designation of responsibilities, financial resources, and performance evaluation. The engagement of key stakeholders in the successful delivery of an action plan is crucial.

Such activities can therefore lead to outputs and results that are categorised as 'strategies' and/or 'action plans' in the Programme indicators framework (see section 3.2 of this document).

Pilot actions
Pilot actions test novel or adapted solutions in NWE regions.

They focus on jointly demonstrating and implementing novel approaches in regions for the benefit of key stakeholders and/or adapting existing approaches in different regions for further uptake.

Solutions can include innovative processes, services, instruments, or tools. They can also be of different nature (e.g., technological, organisational, economic, etc.).

A pilot action should:
- have an experimental or demonstrative character. The scope of a jointly developed pilot action could be to test, evaluate and/or demonstrate novel and/or adapted procedures, processes, instruments, tools, services, and/or practices. Have a clearly defined scope and aims that are achievable during a project lifetime (e.g., location, duration, size, etc.).
- be jointly designed, implemented, evaluated, communicated on and taken-up by project partners.
- have a clear territorial element with partners cooperating transnationally.

- should not only be developed, but also implemented by the end of the project, with the implementation of the pilot action being finalised by the end of the project.

Such activities can lead to outputs and results that are categorised as 'pilot actions' and 'solutions' in the Programme indicator framework (see section 3.2 of this document). Pilot actions in small-scale project cannot include investments.

Capacity building and awareness raising activities
Projects can also include capacity building and awareness raising activities in their work plans, such as joint training schemes (e.g., online or physical training courses, study visits, peer reviews, exchanges, seminars, workshops, etc.), or other awareness raising activities.

The goal should be to improve the understanding, knowledge, skills, competences, and access to information of key stakeholders.

A joint training scheme implies the involvement of organisations from at least two participating countries (in the organisation of the training). The needs of target groups should be considered in the design and implementation of such activities.

Such activities can therefore lead to outputs and results that are categorised as 'joint training schemes' in the Programme indicators framework (see section 3.2 of this document).

2.2 How should a small-scale project be structured?

This section provides practical guidance on the key organisational components of a small-scale Interreg NWE project. It is intended to ensure that all projects are aware of organisational arrangements needed and tailor them to the results they seek to achieve.

2.2.1 How should a small-scale project partnership be structured?

A lead partner coordinates each project, manages and coordinates project partners and the overall project implementation. The lead partner is responsible for submitting the application form and is the single point of contact for the Joint Secretariat once the project is approved.

2.2.2 What is the right size for a partnership of a small-scale project?

The project's objectives and planned results determines the size of a partnership. Lead partners should seek the right balance in terms of size, taking into consideration the specific features of the small-scale project in terms of scope, budget and duration. Partnerships should therefore be as focused as possible, as their size has a direct impact on the efficiency of project implementation, particularly in terms of reporting and financial management. This should be balanced by the need to set up a strong partnership, considering the quadruple helix principle (as relevant to the project context) that can deliver project results successfully. It is important to note that not all Member States need to be represented in each project.

Overall, quantity does not mean quality. The Programme encourages strong and focused partnerships where each partner has a specific role to play.

2.2.3 How should a work plan be organised in a small-scale project?

Project implementation follows a work plan that consists of one work package. The work package is broken down into identified activities (and deliverables). The main outputs from this work package must clearly contribute to the Programme's output and result indicator framework. The project must select the one it will contribute to during the application phase.

- A small-scale project can have a maximum of one work package, in which all implementation activities are to be described.
- The work package needs to correspond to the project specific objective. The project specific objective contributes to achieving the overall project objective.
- Communication and long-term effects activities need to be embedded in the work package as activities and deliverables.
    - The work package must have a communication objective and target audience, and at least one communication activity and deliverable.
    - Activities (and deliverables) that deliver long-term effects should be included in the work package description.
- For the work package, one of the project partners must be designated as work package leader. They will be responsible for coordinating the delivery of the related work package activities.
- The work plan cannot include investments.

- Voucher schemes are not possible in a small-scale project.
- The project management approach must be described in a dedicated section in the application form. A separate work package on management activities is not foreseen.

2.2.4 How much should a small-scale project budget be?

Project budgets can vary significantly depending on the planned results, the size of the partnership, the duration of the project. For small-scale projects the minimum possible budget is EUR 200,000 TEC and the maximum possible budget is EUR 800,000 TEC (total eligible cost).

2.2.5 How long should a small-scale project run for?

The duration of a project can vary depending on the work plan, the complexity of the activities planned, etc. However, the duration should be optimised as to ensure that results are achieved by the end of the project lifetime at the latest, and so that the project is considered efficient and effective. The duration of a project should therefore be proportionate to the work plan and to the envisaged results. The maximum length of small-scale projects is 18 months.

Projects should incorporate start-up and closure procedures as part of their work plan and consider the time needed for these as part of the project duration. All projects must be completed by 30 June 2029.

2.3 Small-scale project application

2.3.1 How to access, complete and submit the electronic application form

The online application form is available for editing until the submission deadline. Dates will be communicated at each call announcement in the Terms of Reference drafted for each call opening. The online application form can be accessed on Jems at: https://jems.nweurope.eu.

2.3.2 What's important in the small-scale projects application form

The application form for small-scale projects is a simplified version of the one used for regular calls, but the general framework remains the same. Applicants are expected to use the application phase to elaborate their project idea, consolidate their partnerships, and develop a detailed work plan.

2.3.3 Project identification

Priority and Specific Objective (SO): applicants must select a Programme priority and Specific Objective (SO) that their project will contribute to. These must be selected from a drop-down menu.

Project duration: Within the 18 months maximum duration of projects, applicants must estimate the project's precise duration (in number of months) and include it in the application form. When deciding on the project duration, applicants should plan for the time needed for the start-up and closure phases of the project (approximately three months for each phase).

In practice, a project's start date is set at the date of the Monitoring Committee decision, also see Annex 1 – overview of application process for small-scale projects. Project applicants can know the indicative start date of their project by referring to the application submission deadline set out in the Terms of Reference of the call.

Project summary: Applicants should give an overview of the project. This overview should describe in clear non-technical language the territorial challenge and opportunity addressed and justify the need for the project. It should also explain the envisaged change expected in NWE territories and describe the expected results. It must explain the added value of the project to the current situation, and who exactly will benefit from the results. The project summary needs to be provided in all four Programme languages. Translations must be of good quality.

2.3.4 Project partners

Applicants must list and describe in the relevant section all project partners.

For each partner, the specific competences and role in the project should be briefly explained. Associated organisations should also be listed and described in the relevant section.

Projects can explain the structure of their partnership in the section of the application form entitled 'project partnership'. The partnership structure should be aligned and coherent with the project objective and project specific objectives.

As set out in the eligibility criteria:

- The application must involve at least three partners from three different countries.
- At least two of these partners must be from a region within the NWE Programme area.

Furthermore:

- If a project partner (micro-enterprise or micro-NGO) would like to receive an advance payment, this should be indicated in the application form (see **section 3.1.2 of this document**).
- The Programme recommends lead partners to submit a scanned version of the signed **partnership agreement** (in pdf format only) together with the application form. Doing this will allow for a fast start-up phase of the project in the event of approval. A partnership agreement template is provided by the Joint Secretariat and available online on the Programme website. Projects may also opt to submit a draft version with the application form, and then submit a final signed version of the partnership agreement at a later stage, latest by the time of the Subsidy Contract signature. No payments (e.g., preparation costs, progress report) will be processed if a partnership agreement is not signed and submitted to the Joint Secretariat.

2.3.5 Project description

Overall project objective:
Project applicants are asked to describe their project objective. The project objective defines what the project aims to achieve (what and who will benefit, where in the NWE Programme area). It should give a measurable indication of the expected change and should not be limited to a mere description of activities. The project objective must correspond to the selected Programme SO. For full details on all Programme SOs, see the *NWE IP* document.
The Programme expects the overall project objective to be very precise and concise. It should give a clear and quick idea of what the project is aiming at.

Project relevance and context:
Applicants must provide a clear description and justification of the project's rationale. They must explain why the project is needed, what specific territorial relevance it has for NWE, and why transnational cooperation is necessary to tackle the identified challenge and opportunity.

Applicants must describe the scope of the project. They must explain what specific aspects of the challenge and opportunity identified will be addressed, and if the planned project activities will develop and test new approaches; and/or if they will adapt and implement existing approaches for further uptake.

Finally, applicants must provide a good overview of the context and how the project builds on available knowledge. The Programme expects applicants to show that the project goes beyond the existing situation and practices, and that the approach proposed has clear added value for the North-West Europe territories.

Project partnership:
In addition to the individual project partner profiles, a detailed description of the structure of the project partnership is requested. Applicants are required to provide a description of the partnership composition, partners' roles, and how they will interact and cooperate. They should explain how the composition of the partnership is appropriate for achieving the project's objective and results, and how they are relevant to address the territorial challenges identified. They must also describe how partners will cooperate transnationally.

Information should be provided on:

- the types of organisations involved, their competences, the complementarity of their roles and how the partnership will cooperate.
- the geographical areas where the organisations are based.

Project result:
Having a clear idea of the project's result is a crucial aspect of a good application. Projects must describe the expected change as an outcome of their planned activities and outputs.

Applicants must make their selection of the proposed Programme result indicators they will contribute to. For each result indicator selected, applicants are expected to give further details on the change expected in both a quantitative and qualitative way. A target value per expected result at the end of the project should be included to give a measurable idea of the foreseen change.

Before filling in the form, applicants should carefully read the section on indicators to understand what is expected from the Programme (see **section 3.2 of this document**).

2.3.6 Horizontal principles

Sustainable development (in line with the UN's Sustainable Development Goals), equal opportunities, and non-discrimination, as well as equality between men and women, and inclusion, are the three major horizontal principles that constitute an integral part of EU policies and the NWE Programme. Please carefully check the related eligibility criterion (#13) to make sure the application complies with the Programme's requirements.

In practical terms this means that projects must not violate these principles in their activities, outputs, and results, or at the very minimum should be neutral in their effect on them. The project assessment will consider the promotion of these horizontal principles as a positive factor. Projects should therefore mention if they are planning any specific measures to follow these principles and describe what those are.

They should particularly elaborate if and how they contribute to sustainability, environmental and climate protection goals which are highly regarded by the Programme.

Projects can consult the ERNACT publication 'Women in European Cooperation projects'[1] which contains recommendations on actions that project leaders, programme management and organisations involved in EU projects can take to improve the experience of women working in this field.

Further details of the horizontal principles can be found in the *NWE IP.*

2.3.7 Work plan

Work package
Project applicants need to develop a detailed work plan. The work plan must clearly detail how the project objective will be reached and how the results will be achieved.

For small-scale projects the work plan is made up of only one work package, which can include an unlimited number of activities and deliverables.

This work package should:

- Contribute to achieving the overall project objective.
- Include a communication objective and communication target audiences to reach. Projects are expected to design and communicate tailored messages to their target audiences about the project's objectives, outputs, results, and benefits (see **section 5.9 of the Programme Manual**).

[1] https://www.ernact.eu/DocumentDetail.aspx?AttId=8228

- All project activities must be planned within this work package.

Separate work packages for project management, communication or long-term effects are not possible.

- **Project management** should not be described in the work package. Applicants are asked to describe the key principles of project management and the approach they will adopt in the dedicated section on Project Management in the application form, where specific questions are listed. They do not need to describe the detailed project management activities they will implement in the work package. Budget for project management should be integrated in the work package.

Activities, deliverables, and outputs

Activities must be defined to outline the implementation steps that a project will undertake in a work package to achieve the project specific objective. They must be jointly designed and implemented by project partners.

The intermediary steps documenting progress towards an output can be defined as **deliverables**. They need to be efficiently designed and not numerous. Documentation of strategic importance, and not intermediary draft reports, should be defined as deliverables.

Outputs are outcomes of project activities. Only one type of output is expected for small-scale projects, which should contribute to achieving the expected result. It may take the form of different types of joint strategies, action plans, pilot actions leading to solutions, and/or joint training schemes developed by the project. Project outputs are the key tangible products of project activities.

Projects **should ensure that the small-scale project outputs** contribute to the output indicators predefined by the Programme (see **section 3.2 of this document)**.

Project outputs must be of high quality, relevant and properly defined. They must be of transnational value and:

1) be the result of intense transnational cooperation of several partners,
2) be of practical use for the defined project target group in partner regions,
3) be usable as a potential model solution that can be transferable to other locations within existing partner territories or in the longer term to other regions or countries. Ultimately, the long-term effects of outputs and results will depend on their successful use.

Within the project work package, having the ability to include as many activities and deliverables as needed provides projects with the space to express their work plan in detail. However, having too many activities and deliverables can also lead to confusion rather than clarity. Applicants are asked to be as focused and efficient as possible when designing their work plans.

2.3.8 Project budget and project budget overview

Partner budget
Following the guidance given in **section 3.1 of this document,** each partner should define their budget and detail expenditure for which they expect to be responsible and submit as financial claims to the Programme.

When defining their budget, partners should be as specific as possible and fill in the comments box defining the planned costs.
Periods are automatically calculated on Jems, based on the start and end date of the project indicated in the project overview section. Each period covers six months (except potentially the last one, which depending on the end date could be shorter). The last period automatically finishes with the end date of the project.

The partners should also specify the planned sources of partner contribution to the budget (i.e., match-funding). This can be done by clicking on the 'define contribution' field. The partners then should fill in all sources of contributions for the project (see **section 5.5.1 of the Programme Manual)**.

Project budget
After all partners have defined their individual partner budgets, the project budget overview table is created automatically, presenting different budgetary divisions and configurations.

2.3.9 Attachments

The Joint Secretariat strongly recommends that the partnership submits a scanned signed version of the partnership agreement along with the application form in Jems (in pdf format).

Moreover, all necessary documents regarding solvency of private partners (see section 2.3.10 below) should also be uploaded in Jems.

Projects also have the possibility to upload a one-page document to illustrate the content described in the application form. The document can only include visual elements (such as illustrations, infographics, graphs) and the format must be a single A4 page in PDF format.
Any other format or type of content (e.g., long descriptions, or text unrelated to the visuals for instance) will be disregarded. This document will not be assessed and remains optional for applicants.

Applicants should only upload documents in Jems that are mentioned above as specifically requested or optional. Any other attachments will not be considered.

2.3.10 Solvency checks

All private partners will undergo a solvency check before the approval of the application[2]. The responsibility of the checks lies with the respective national authority of the Member State. This authority will decide on a case-by-case basis how detailed this check will be and what documentation is required.

The information that will normally be asked for are the national equivalents of:

1) Financial statement for the two most recent years, and
2) Excerpts from the national company / association register.

In some Member States these documents are already available through various databases while other Member States ask the Joint Secretariat to collect the documentation necessary for solvency checks. The table below specifies the requirements regarding the submission of the documents, depending on the location of the private partner:

Private partner location	Documents required
France, Germany, Ireland, Luxembourg, Belgium (Wallonia and Brussels-Capital)	All private partners need to submit the following documents: 1. Financial statement of the last two years 2. Excerpts from the national company register

[2] Private partners that meet the definition of a body 'governed by public law' do not need to undergo a solvency check. According to Directive (EU) 2014/24 Article 3, a body 'governed by public law' is defined as one:
(a) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character; and
(b) having legal personality; and
(c) financed, for the most part by the state, or regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial, or supervisory board, more than half of whose members are appointed by the State, regional or local authorities or by other bodies governed by public law.

Private partner location	Documents required
	These documents need to be uploaded in Jems **before** the submission of the application form.
Netherlands, Belgium (Flanders) and Switzerland	No documentation is required. The national authority in charge of the solvency check might get in touch with the private partner directly.

Solvency checks are performed to mitigate the risk that private partners run into insolvency during the implementation of the project. Private partners are required to inform their Lead Partner and the Joint Secretariat, without delay, of any such problems. Lead partners must immediately suspend any payments to the concerned partner. The Programme has the right to suspend payment of the private partners' part of any pending progress report.

2.4 Small-scale project assessment

2.4.1 Assessment procedure

Once the call is closed, the Joint Secretariat assesses the project application against the eligibility and quality assessment criteria.

Project applications are assessed by members of the Joint Secretariat who were not involved in the project development process. Only the content of the application form submitted in Jems is assessed.

The quality assessment criteria applied for call 3 for small-scale projects are divided into *strategic* and *operational* quality assessment criteria. The strategic criteria are used to assess eligible project applications according to their strategic relevance to the Programme. Operational criteria relate to the quality of the work plan and budget. The Joint Secretariat assesses the applications based on six quality assessment criteria in total. Each criterion has a different weight in the overall score of the proposal (see **section 2.4.3 of this document**). Equal weight is given to the strategic elements of the project and the operational elements.
A score from 1-5 will be attributed to each of the criteria:

5 (very good) - The proposal addresses all relevant aspects of the criterion. The information provided is clear and coherent. Any shortcomings are minor.

4 (good) - The proposal addresses the criterion well. However, a small number of shortcomings are present (e.g., some parts of the application form are not well elaborated, the work plan provides little space for unexpected delays, etc.).

3 (sufficient) - The proposal fulfils the criterion to a sufficient level. However, some aspects of the criterion have not been fully met and/or not clearly explained (e.g., the proposed partnership lacks certain expertise needed to address the identified challenge; the implementation steps are not fully clear based on the description in the application form).

2 (weak) - The proposal has serious shortcomings in relation to fulfilling the criterion. The information provided is of low quality (e.g., the need for the project is not clearly justified; the main outputs are badly described; the target groups are not described).

1 (insufficient) - The proposal inadequately addresses this criterion. The proposal addresses issues that are not of relevance to the Programme as set out in the *NWE IP*; and/or the information in the application form is, missing, incomplete or irrelevant.

2.4.2 Eligibility criteria

	Eligibility criteria	**Description**
1	The application was submitted on time through the electronic monitoring system (Jems). The deadline was respected.	The application was submitted by the deadline set in the Terms of Reference for the call for proposals.
2	All sections of the application have been completed.	All fields in the application form are mandatory.
3	The project confirms that it obeys national and EU legislation.	The lead partner confirms this by submitting the application form.

	Eligibility criteria	Description
4	The application is completed in English.	All sections of the application must be written in English.
5	The project involves at least three partners from three different countries. At least two of these partners must be from a region within the Programme area.	As an example, this means a project application with three partners from Düsseldorf, Waterford, (both places are located inside the Programme area) and Marseille (outside the Programme area) would be eligible; whereas a project with three partners from Lyon, Munich (both places are located outside the Programme area), and Rotterdam (within the Programme area) would be ineligible.
6	The Lead Partner is an organisation from an EU Member State and from the NWE Programme area[3].	The lead partner must always be an organisation from the NWE Programme area and from an EU Member State. This means that organisations from Switzerland or from regions of Member States outside of the Programme area (e.g., Lyon, Munich) cannot be lead partners.
7	The lead partner is an organisation which is public, non-profit, or a body governed by public law. [4]	'Profit-making' organisations can never be a lead partner. Application forms with such a lead partner are ineligible.

[3] For Member States participating in the NWE Programme but with areas outside the Programme area (i.e., Germany and France), legal entities located outside the NWE Programme area can be LP if they fulfil all three of the following:

- they are competent in their scope of action for certain parts of the eligible area, e.g., federal, or regional ministries, federal agencies, national research bodies which are registered outside the programme area etc.
- they fulfil the basic requirements as set out in the remaining eligibility criteria.
- they carry out activities that are for the benefit of the regions in the NWE Programme area.

[4] According to Directive (EU) 2014/24 Article 2, a body 'governed by public law' is defined as one:
(a) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character; and
(b) having legal personality; and
(c) financed, for the most part by the state, or regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial, or supervisory board, more than half of whose members are appointed by the State, regional or local authorities or by other bodies governed by public law.

	Eligibility criteria	Description
8	The project summary is provided in the four Programme languages.	The project summary must be provided in Dutch, English, French, and German.
9	All partners (i.e., project partners and associated organisations) included in the application form are legal entities.	
10	The project has chosen a single Programme priority from the dropdown menu and one of the nine Programme Specific Objectives.	
11	The project will be completed no later than 30 June 2029.	This is the date by which all projects under this Programme must be completed. Project duration during the application phase must be set in accordance with this date.
12	All partners contribute to project match funding. All partners have a budget in line with the eligible ERDF rate.	
13	The project confirms (in the application form) that it makes a positive or neutral contribution to the Programme's horizontal principles: equal opportunities and non-discrimination, equality between men and women, sustainable development.	This is done by submitting the application form. The relevant parts of the application form must then be filled in accordingly.

	Eligibility criteria	Description
14	Mandatory cooperation criteria (joint development, joint implementation, joint staffing, joint financing) are fulfilled.	This is done by submitting the application form. The relevant parts of the application form must then be filled in accordingly.

Projects should be aware that automatic checks in Jems do not guarantee that a submitted application form is declared eligible. The lead partner remains responsible for checking that all eligibility criteria are met before final submission.

2.4.3 Quality assessment criteria

No.	Quality assessment criteria and questions	Scoring in pts	Weight of criterion
Strategic assessment criteria			
1	**Project relevance** - *How well is a need for the project justified?* - *To what extent will the project contribute to the achievement of the Programme objectives?* - *How does the project go beyond the current situation and build on existing practices?*	**/5 pts**	**15%**
2	**Partnership and cooperation rationale** - *To what extent is the partnership composition relevant for the proposed project?* - *What added value does the cooperation bring?*	**/5 pts**	**25%**
3	**Project intervention logic** - *To what extent is the project intervention logic plausible?* - *To what extent will project outputs have an impact beyond project lifetime?*	**/5 pts**	**10%**
Total scoring weight of strategic criteria			**50%**

Operational assessment criteria			
4	**Work plan** - *To what extent is the work plan realistic, consistent, and coherent?*	**/5 pts**	**25%**
5	**Communication** - *To what extent are communication activities appropriate to reach the relevant target groups and stakeholders?*	**/5 pts**	**10%**
6	**Budget** - *To what extent is the project budget used in accordance with the principles of economy, efficiency, and effectiveness?*	**/5 pts**	**15%**
Total scoring weight of operational criteria			**50%**

These assessment criteria are the same as the ones used for regular calls. However, they will be considered in relation to what can be expected from a small-scale project, notably in terms of scope, budget, partnership and duration.

2.4.4 Decision on small-scale projects applications

The assessment reports drafted by the Joint Secretariat contain comments on all assessment criteria and an overall conclusion for each project application. These internal reports constitute a basis for discussion for the Monitoring Committee who take the decision on granting funding to applications. The Monitoring Committee meets regularly, at least once or twice per year, to discuss project proposals. At the Monitoring Committee meeting, each delegation comes with their country's position on each application and through an exchange and argumentation, it reaches a consensus.
After a consensus is reached, a notification letter with the Monitoring Committee decision (rejection or approval) is sent to the lead applicant.

- In case of approval, this letter contains a list of technical requirements which need to be met before the project can start its implementation.
- In case of rejection, an explanation of the reasons for rejection is provided.

The Joint Secretariat assessment report is not part of the feedback to the project as it only reflects the assessment of the Joint Secretariat before the deliberations and is not the consensus opinion of the decision-making body of the Programme, which is the Monitoring Committee.

The approval of a project application is based on the submitted application form. As part of the technical requirements phase, some modifications may be requested to the project application form. The technical requirements phase is an opportunity to implement technical fixes to the project application, within a limited timeframe (usually two months). As soon as the technical requirements are met, the contracting phase of signing the subsidy contract (with the approved application form) between the Managing Authority and the lead partner can take place.

A rejection means that the project proposal has major shortcomings. In case the project partnership wants to reapply, it is advised to take into careful consideration comments and recommendations made by the Monitoring Committee in its notification letter.

3. Rules and procedures for small-scale projects

3.1 Forms of support

The NWE Programme distinguishes between support in the form of **real costs** and support in the form of **simplified cost options** (SCOs). In small-scale projects, budget option 2 (see table in section 3.1.1 below) is the only one which applies.

3.1.1 Simplified cost options (SCOs)

Simplified cost options can take the form of flat rates and lump sums.

The **key principles** of simplified cost options are:

- partners do not need to provide justification of expenditure; they do not need to document that the expenditure has been incurred, or that the lump sum, or flat rates correspond to real costs;
- the flat rates are calculated on budgeted (in the application form) or reported on (in the progress report) real cost expenditure in Jems;
- any correction on reported real cost expenditure will result in a corresponding correction of the flat rate;

- control checks focus on the correct reporting of real costs

The following **types of simplified cost options** are possible in the NWE Programme in the framework of small-scale projects:

- Lump sums: a lump sum of €6,000 total eligible cost covering the preparation costs for project development (see section 3.1.3 below).
- 40% flat rate on direct staff costs: All eligible direct costs of a beneficiary other than staff costs can be reimbursed based on a flat rate of 40 % of direct staff costs.

  The beneficiary only needs to document expenditure related to staff costs.

  For further information on how to claim staff costs as real costs please take a look at section 5.3.1 of the Programme Manual.

Example calculation for the 40% flat rate based on reported staff costs.

A	Eligible reported staff costs	€36,000
B	Flat rate for all other costs	40%
C	Eligible other costs (automatic reporting without proof of actual costs) (A*B)	€14,400
TOTAL COSTS		€50,400

With the 40% flat rate on staff costs, the partner who spends €36,000 on staff costs will generate a further €14,400 to cover all other costs (i.e., office and administration, travel and accommodation, equipment, external expertise and services, and infrastructure and works). Its overall costs will amount to €50,400.
Assuming the partner's grant rate is 60%, then the Programme will pay €30,240 ERDF (= 50,400 x 0.6).

In summary

The following table shows the budget option that partners must choose when applying for funding for small-scale projects.

<table>
<tr><th rowspan="2">Cost categories</th><th colspan="2">Partner budget
Option 2</th></tr>
<tr><th>Real costs</th><th>Flat rate</th></tr>
<tr><td>Staff costs</td><td>Real costs</td><td></td></tr>
<tr><td>Office & Administration</td><td></td><td rowspan="5">40% flat rate of staff costs</td></tr>
<tr><td>Travel & accommodation</td><td></td></tr>
<tr><td>External expertise & services</td><td></td></tr>
<tr><td>Equipment</td><td></td></tr>
<tr><td>Infrastructure & works</td><td></td></tr>
</table>

3.1.2 Advance payments

Partners with micro-enterprise[5] and 'micro' NGO[6] status can request an advance payment from the Programme. The advance payment is limited to either €50,000 ERDF at partner level or to 50% of the partner's ERDF budget, whichever is the lowest.

Points of attention

- The advance payment must be requested during the application phase. The request will be assessed by the Programme, as part of the solvency checks on private partners.
- Depending on the outcome of the solvency check, the advance payment will be released to the lead partner upon signature of the subsidy contract, assuming all pending requirements are met. The lead partner will then distribute the advance payment to respective partners. The advance payment will be offset against the payment claim at the end of the project. If a partner leaves the project before its end, the advance payment will be offset at the end of that partner's participation in the project.

[5] A micro-enterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.
[6] A 'micro' NGO is defined as a non-governmental organisation which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

- The lead partner will monitor the schedule of expenditure to detect any risk of under-consumption. Partners with no or low spending will be asked to return the advance.

3.1.3 Preparation costs for small-scale projects

Preparation costs for project development are reimbursed through a lump sum of €6,000 total eligible cost (TEC) to all projects approved.

Points of attention:

- This amount is paid shortly after receiving the signed subsidy contract, assuming any pending requirements are met.
- The partnership may decide to share the lump sum amongst several partners. This split will be shown in the budget part of the application form (in the lump sum section of the application form).

3.2 Indicator framework

Small-scale projects applying for NWE funding are required to identify and quantify their project objective, envisaged outputs and results.

At the application stage, project applications commit themselves to achieving targets selected from the Programme indicator framework. If approved, projects must deliver the outputs and targets. The delivery and achievement of these will be followed closely by the Programme.

Project objective
A (overall) project objective is a qualitative description of the desired change that the partnership will implement on the NWE territory during the project.

- The objective outlines the overall goal of the project, specifically the change it wants to bring about in the NWE territory.
- It defines the benefits or improvements that the partnership expects to achieve on the Programme territory (or parts of it).

A well-formulated project objective:

- Is clear and concise,
- provides a concrete description of the project's outcome,

- is not a description of activities,
- is developed in a participatory process by the whole project partnership,
- addresses the project's target groups and stakeholders and is accepted by them,
- is realistic and achievable by the end of the project.

The objective should be clear and leave no room for misinterpretation.
Technical jargon and acronyms should be avoided. It should be easy to understand by external readers and non-experts in the themes tackled by the project. The project objective should fit within and be relevant to the Specific Objective under which the project has submitted.

Project result
A project result is the societal benefit of the project outputs. It measures the ultimate change that the partnership aims to accomplish in NWE territories by the end of the project and relates to the challenges tackled. The project result is tied to the project objective and quantifies the degree to which the objective has been achieved during the project lifetime.

- The result provides an answer to:
    - Is anyone in NWE better off?
    - Has anything been improved in NWE?
- The desired result must be measurable, in line with the Programme's result indicator definitions. It must have a target value to be reached by the end of the project.
- The project result is the impact of the development, roll-out or upscaling of an output.

Project output
Applicants must also define project outputs. An output is:

- The main tangible product of project activities,
- must be jointly developed by the project partners,
- should directly contribute to the achievement of the project result,
- must contribute to the specific Programme output indicators listed below.

Contribution to the Programme output and result indicators
The NWE Programme has outlined a list of output and result indicators applicable to all nine Specific Objectives (SOs). These help the Programme measure its success and effective change achieved on the NWE territory.

The definitions of each indicator can be found in **Annex 1 of the Programme Manual**.

The indicator framework presented in the text and figure below is applicable to all Programme Specific Objectives (SO). In the application form applicants must refer to the output and result indicators and set their targets.

To define their indicator targets, projects should follow the four main steps described below:

1) Projects should start by defining **their project outputs** and then choose the Programme's **output indicator** they will contribute to.
    - Outputs are defined based on the type of activities projects plan to undertake and ultimately the outcomes of those activities.
    - Projects should not confuse deliverables with outputs. Read the definitions in Annex 1 of the Programme Manual to ensure an understanding of expectations.

2) Projects should choose the right number of output indicators to contribute to. They must ensure that they meet the requirements of the Programme.
    - The Programme expects all small-scale projects to contribute to only **1 output indicator**.
    - IMPORTANT: Outputs **O.2 and O.3 are interrelated and count as 1.** Pilot actions always lead to joint solutions and joint solutions are developed in project activities organised as pilot actions. So, by choosing O.2 projects must also choose O.3 and vice versa.
    - They must then define the quantity of their contribution to each (e.g., O2+O3: how many pilot actions will a project be doing? How many solutions will these lead to?)

3) By following the colour coding in the table below, projects must then determine the **result indicators** they will contribute to.
    - Outputs lead to results. As such, there must be a link between the choices made for outputs and results.

4) The mandatory result indicator R.4
    - Whatever the outputs a project chooses to contribute to, they will inevitably contribute to the result indicator *'Organisations with increased institutional capacity due to their participation in cooperation activities across borders' (R4).*
    - This result indicator is selected in the application forms on Jems by default – projects must quantify their contribution to it.

Examples:

- If a project will contribute to output indicator O.1, then they must also contribute to result indicators R.1 and R.4.
- If a project will contribute to output indicator O.2+O.3, then they must also contribute to result indicators R.2 and R.4.

The table below presents the steps in a visual manner – the colour coding allows for understanding the choices to make from outputs to results - making sure that small-scale projects select one colour only.

Output indicator	Result indicator	
O.1: Strategies and action plans jointly developed	R.1: Joint strategies and action plans taken up by organisations	R.4 Organisations with increased institutional capacity due to their participation in cooperation activities across borders
O.2: Pilot actions developed jointly and implemented in projects	R.2: Solutions taken up or up scaled by organisations	R.4 Organisations with increased institutional capacity due to their participation in cooperation activities across borders
O.3: Jointly developed solutions		
O.4: Participations in joint training schemes	R.3: Completion of joint training schemes	R.4 Organisations with increased institutional capacity due to their participation in cooperation activities across borders

Project deliverables

A deliverable captures the implementation of project activities in e.g., analysis reports, feasibility studies, strategy documents, pilot action reports, training documentations. It presents in an aggregated form outcomes of intermediate steps of a certain activity. Deliverables contribute to a project output. It is recommended to limit the number of project deliverables.

3.3 Purpose of monitoring in small-scale projects

Approved projects must implement their work plan as outlined in their application form, which constitutes the main annex to the subsidy contract. Project achievements are monitored because they directly contribute to the achievements of the Programme. The Programme is successful only if projects are successful (i.e., they reach their envisaged outputs and results).
The monitoring process has several aims:

- It enables the Programme to follow-up on projects and to ensure that they deliver their work plans and contribute to the Programme objectives, outputs, and results.
- It enables the Programme to check that claimed costs are in line with the results achieved by the project.
- It enables the Programme to ensure that projects are implemented following the principles of sound financial management (economy, efficiency, and effectiveness).

Small-scale projects are required to report on project implementation at least once a year in Jems. They can also opt to report twice a year if they wish to do so (e.g., to ease cash-flow for their partners). The choice of the frequency of the reporting must be agreed with the JS during the contracting phase of the project.

The project progress reports provide information on project achievements and spending in relation to defined targets set in the approved application form. Projects are also encouraged to report on their success stories throughout the project lifetime. These are used by the Programme for communication purposes.

Deviations from the approved project work plan may happen in certain circumstances. Deviations need to be discussed with the Joint Secretariat and need prior approval of the Programme via a modification procedure. Deviations which have not been approved by the Programme and have a negative effect on project outputs and results require particular attention. Projects should always discuss any expected deviations with their project officer during implementation.

Annex 1: overview of application process for small-scale projects

	What?	Description	How?	When?	Who?
1	Opening and announcement of the call	Publication of the Terms of reference, application form and manual for small-scale projects	NWE website and social media, emailing to all approved projects from relevant calls.	23 February 2023	Joint Secretariat
2	Drafting the application form	Support by Contact Points	On Jems (Joint Electronic Monitoring System) only	Until deadline	Lead Partner
3	Submission of the application form	AF to be submitted by Lead Partner	On Jems (Joint Electronic Monitoring System) only	Deadline: 12 July 2023 – 12.00 pm (noon) CET	Lead Partner
4	Assessment of the applications received	- Eligibility check - Quality assessment	JS assessment panel	September 2023	Joint Secretariat
5	Decision on the applications received		MC meeting	October / November 2023 (exact date tbc)	Monitoring Committee
6	Notification of the decisions to applicants		Official letter	Within two weeks after MC meeting	Joint Secretariat
8	Subsidy Contract	Subsidy contract and Partnership agreement to be signed	-	Deadline: 2 months after MC decision	Joint Secretariat