OPERATIONAL PROGRAMME OF THE BALTIC SEA REGION PROGRAMME 2014-2020

Draft Version for the Public Consultation (launched on 31 January 2014)

(version with 'line numbering' for commenting)

Based on the **model for preparing cooperation programmes under the European territorial cooperation goal** as presented in Annex II of the draft Commission Implementing Regulation.[1]

1 Please note that the programme template and the investment priorities refer in several places only to EU Member States whereas the Baltic Sea Region Programme 2014-2020 also includes the partner countries Belarus, Norway and Russia.

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NUTS regions covered by the cooperation programme	**EU Member States:** **Denmark**: the whole country, **Estonia**: the whole country, **Finland**: the whole country, **Germany**: the States (Länder) of Berlin, Brandenburg, Bremen, Hamburg, Mecklenburg-Vorpommern, Schleswig-Holstein and Niedersachsen (only NUTS II area Lüneburg region), **Latvia**: the whole country, **Lithuania**: the whole country, **Poland**: the whole country, **Sweden**: the whole country. **Partner countries:** **Belarus**: the whole country, **Norway**: the whole country, **Russia:** St. Petersburg, Arkhangelsk Oblast, Vologda Oblast, Kaliningrad Oblast, Republic of Karelia, Komi Republic, Leningrad Oblast, Murmansk Oblast, Nenetsky Autonomous Okrug, Novgorod Oblast, Pskov Oblast

SECTION 1 STRATEGY FOR THE COOPERATION PROGRAMME'S CONTRIBUTION TO THE UNION STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH AND THE ACHIEVEMENT OF ECONOMIC, SOCIAL AND TERRITORIAL COHESION

(Reference: Article 27(1) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council[2] and point (a) of Article 8(2) of Regulation (EU) No 1299/2013 of the European Parliament and of the Council[3])

1.1 Strategy for the cooperation programme's contribution to the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion

- Description of the cooperation programme's strategy to contribute to the delivery of the Union strategy for smart, sustainable and inclusive growth and to the achievement of economic, social and territorial cohesion.

The Programme Area

The Baltic Sea Region Programme 2014-2020 covers eleven countries, eight of them EU Member States and three partner countries. All regions covered by the programme are listed in the overview table on page 2.

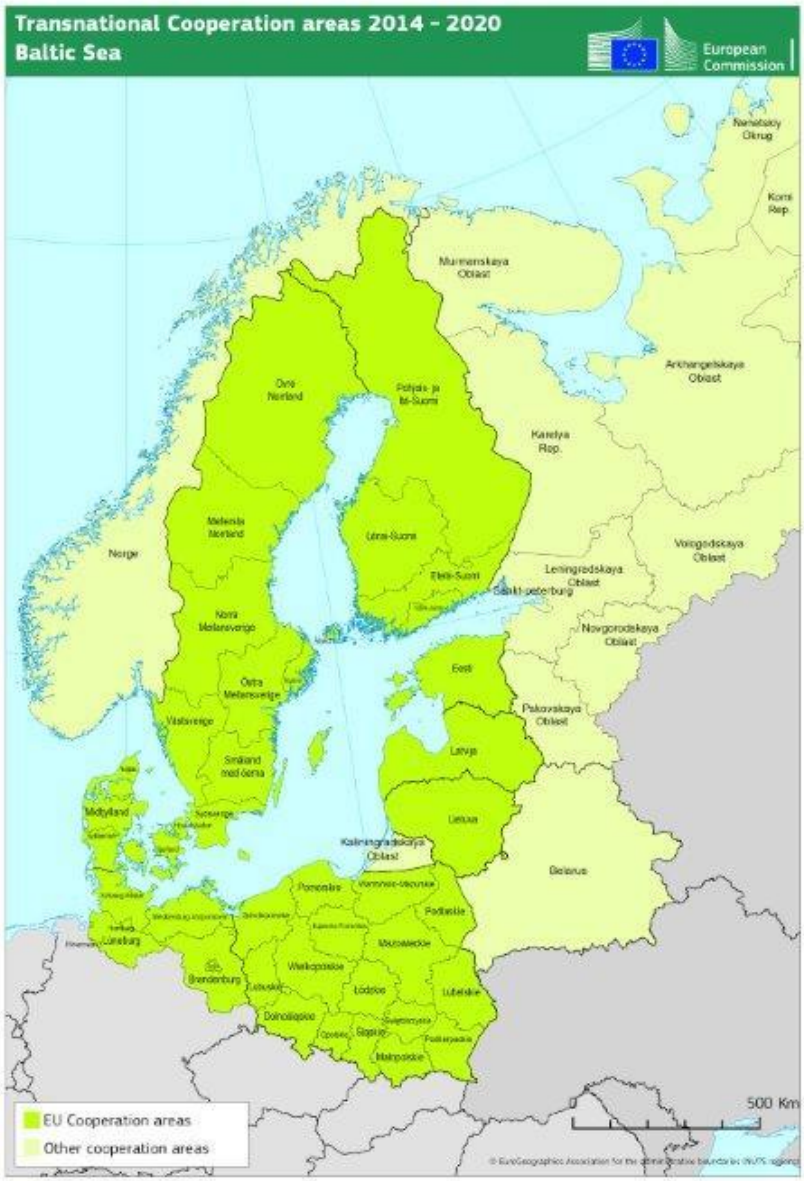
The Programme covers an area of around 3.8 million km² with a population of more than 101 million inhabitants. It stretches from central parts of Europe up to its northernmost periphery. Even though the Programme area comprises a number of European metropolitan areas such as Berlin, Copenhagen, Helsinki, Oslo, Stockholm and St. Petersburg, major parts of the Programme area are characterised as rural. Settlement structures in the South are denser with most rural areas being in close proximity to a city, but in the Northern, and to some degree also in the Eastern part of the region, rural regions are often characterised as remote. The Arctic regions in the northernmost part of the programme area represent specific challenges and opportunities in respect of remoteness, geographic and climate conditions.

The Baltic Sea in the centre of the Programme area is the uniting factor for the region: it serves as a source for common identification across the region and constitutes a joint environmental and economic asset. At the same time the Baltic Sea brings about transnational challenges, e.g. in relation to environmental protection and transport flows passing the sea. The Programme area comprises a large amount of coastal areas and islands with high residential attractiveness but, at the same time, high biodiversity vulnerable to economic uses and to climate change.

After the EU enlargements of the last two decades the Baltic Sea is now mainly surrounded by EU Member States. Yet, at the same time, the region also encompasses the partner countries of Belarus, Norway and Russia. Many of the regional challenges can be only tackled in cooperation between the EU and partner countries.

[2] Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

[3] Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal (OJ L 347, 20.12.2013, p. 259).



The Programme can build on a strong tradition of pan-Baltic cooperation. In particular, after the political transitions in the early nineties, a wide range of cooperation networks between national, regional and local authorities, but also between other organisations such as NGOs, academic institutions, business sector associations and environmental groups, has been established, many of them organised in umbrella organisations on a pan-Baltic level. These networks and institutions have played an important role in previous transnational cooperation programmes and are expected to promote cooperation and further integration also in this funding period.

An important milestone towards further integration of the macro-region was the adoption of the EU Strategy for the Baltic Sea Region by the European Council in 2009. It defines priority areas for more and better coordination and identifies joint flagship actions in the accompanying Action Plan (cp. also OP section 4.4.). The macro-regional Strategy was

agreed after the launch of the Baltic Sea Region Programme 2007-2013. Still, the Strategy and the Programme have mutually benefitted. The Baltic Sea Region Programme offered a functioning instrument to finance flagship projects of the Strategy and to get the Strategy's implementation started. At the same time the Strategy offered new platforms to increase the visibility and relevance of the Baltic Sea Region Programme projects. For the funding period 2014-2020 the Programme and the Strategy have been further interlinked to reinforce each other. Where possible within the limits of the ERDF, the programme has been thematically even more aligned with the objectives of the Strategy to maximise the synergies and leverage effects on other financing sources in the programme areas. Specific measures for the institutional and administrative support to the implementation of the Strategy have been integrated in the Programme as well.

Alongside the EU Strategy, there are development strategies of the partner countries, which address similar priorities, e.g. the Socio-Economic Development Strategy of the North-West Federal District of the Russian Federation (Russian North-West Strategy). Acknowledging the diversity of the Baltic Sea Region, the Programme can create synergies among common priorities of EU and partner countries in the region. The Programme can provide a platform for policy dialogue among public administrations, pan-Baltic organisations and transnational working groups. In particular, the Programme supports joint work towards achievement of common goals through implementation of joint projects among EU and partner countries in the Baltic Sea Region.

Strategic Process to identify transnational cooperation needs

Due to the above described advanced state of cooperation in the Baltic Sea Region the Programme did not have to develop a separate analysis of the state and needs of the region, but could draw on a large number of existing analyses and strategies as well as on the know-how of experienced pan-Baltic stakeholders and networks, and the experience gained from previous programming periods.

The following inputs served as a starting-point to identify which *thematic objectives* defined for the European Structural and Investment Funds correspond best with the common transnational needs and challenges in the Baltic Sea Region:

- ***Conclusion from a Strategic Analysis of reference documents***
  One of the inputs to the development of the thematic focus of the new Programme was a strategic analysis of a wide range of relevant reference documents. Altogether 24 reference documents were analysed and assessed by external experts in terms of their relevance for the programming process. Among other aspects the correlation between the Baltic Sea related references documents and the thematic defined for the European Structural and Investment Funds were identified. The analysis turned out to be challenging due to the very different nature of the documents and different geographic scales covered (EU, BSR, parts of BSR). Yet, it resulted in a cautious conclusion that the *thematic objectives* innovation, SME support, environment/ resources efficiency and 7 transport correlated most with BSR-specific issues in the reference documents.

- ***Conclusion from Questionnaire Survey with the Reference Group***
  At the start of the programming process a Reference Group was created comprising more than 80 institutions, in particular stakeholders of the EU Strategy for the Baltic Sea Region as well as other relevant transnational organisations in the region. The Reference Group was designed to contribute to the programming with experience and

know-how and to identify specific demands and expectations towards the new Programme among potential target groups. In spring/summer 2012 the Reference Group members were consulted in a questionnaire survey to give an input to the development of the future Programme at an early stage of the programming. Among other questions an assessment of the relevance of the thematic objectives was addressed in this survey. Based on the answers received the *thematic objectives* of innovation, environment/resources efficiency and transport were considered to be the most important.

- ***Conclusion from Internal Evaluation of current projects***
  The third input to the identification of future cooperation needs in relation to the proposed Thematic Objectives was a survey done by the JTS of the Baltic Sea Region Programme 2007-2013 based on projects' outcomes from the projects of the previous funding period. The conclusions in the survey were mainly based on interim or planned projects' outcomes as the majority of projects were still in the implementation stage. Based on the outcomes of the previous rounds' projects specific gaps where future transnational projects were needed were identified in relation to the *thematic objectives* of innovation, low-carbon economy, environment/resources efficiency and transport.

Based on these inputs and after national consultations with all countries of the Programme area, the Joint Programming Committee decided, at its meeting on 27-28 November, 2012 in Riga, to develop funding priorities of the new Programme based on the following *thematic objectives* as defined in Article 9 of Regulation (EU) No 1303/2013:

(1) Strengthening research, technological development and innovation;

(6) Preserving and protecting the environment and promoting resource efficiency;

(7) Promoting sustainable transport and removing bottlenecks in key network infrastructures.

In addition, relevant aspects related to *thematic objectives* 3 (SME support), 4 (low-carbon economy) and 5 (climate change) should be considered within these thematic objectives.

Further, it was agreed to develop proposals for support for the implementation of the EU Strategy for the Baltic Sea Region and the common priorities of regional strategies of the partner countries and the EUSBSR under thematic objective 11 'Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration'.

For each of the selected thematic objectives a SWOT analysis was carried out. Based on these analyses priority descriptions were developed in early 2013 and discussed by JPC members at a Programming Task Force meeting in March in Berlin. In April 2013 stakeholders and experts were consulted in three Thematic Programming Workshops on particular key challenges in the Baltic Sea region related to the cooperation themes of environment/resources efficiency, transport and innovation. The focus of the priority axes was further discussed, commented and amended during 2013. Final draft priorities were agreed at the JPC meeting in December 2013 as a basis for a public consultation phase in early 2014.

Transnational key challenges and opportunities for the Baltic Sea Region

This chapter provides a short summary of Baltic Sea Region specific challenges and opportunities within the selected *thematic objectives* 1 (innovation), 6 (environment/resources efficiency), 7 (transport) and 11 (institutional capacity). They have been obtained from recent studies and reports and discussed with stakeholders, both at Programme level as well as within the participating countries. Only key challenges and opportunities will be highlighted in this chapter. A detailed overview of strengths, weaknesses, opportunities and threats for the Baltic Sea Region can be found in the SWOT-Tables in Annexes 11.1 – 11.3.

Transnational key challenges and opportunities related to research, technological development and innovation

The Baltic Sea Region (BSR) features different levels of innovation performance. A number of regions, mainly in the Northwest of the BSR, are innovation leaders ranking high on the EU Innovation scoreboard. They are knowledge and innovation producers, specialised in general purpose technology, and are strong in R&D activities, as well as possess science-based local knowledge. Other regions, mainly concentrated in the Southeast of the region, can be described as innovation followers. Nevertheless, they present a high degree of local competences and strong creative potential, which can be used for the acquisition of external innovation.

There is a wide range of research and innovation infrastructures across the BSR. However, the existing facilities are not equally distributed and interconnected, as well as their management and usage patterns differing significantly on the BSR level. In addition, there is a lack of an overall regional coordination framework ensuring better links between research resources within the BSR, and outside it. Given the remoteness of the region, the cooperation between BSR countries and regions on research and innovation infrastructures becomes especially relevant.

Therefore, the BSR demonstrates a great opportunity for utilisation of synergies between research and innovation policies needed to improve competitiveness and economic performance, and the policies needed to resolve large societal challenges. In line with Europe 2020 Strategy, innovation policy and R&D activities are to respond to the challenges facing our society at large, such as climate change, energy and resource efficiency, food supply, welfare, health and demographic change.

The BSR provides a space for cooperation to overcome the lack of effective mechanisms for knowledge transfer from research to enterprise, thus counteracting insufficient demand for some existing research capacities. To this end, better opportunities for the involvement of infrastructures' users have to be provided, and cooperation among public, academic and private sectors improved to foster market-led R&D and demand-driven innovation.

The BSR provides an opportunity to build on diversity as a strength to achieve unique, smart combinations of competencies with potential to find new solutions to market needs. In order to unlock untapped innovation potential of the BSR, the regional capacity building should put a special focus on diversification of innovation support measures that are suitable with the existing potentials and available expertise. Propelled by its diversity, the BSR offers strong potential for a more place-based and market-driven approach to fostering innovation, which can be realised through instruments such as smart specialisation. The challenge, however, here is to mobilise internal assets and resources in fields where a

country or a region has a specific specialisation. These include those of higher technology and research, but also those relating to growing non-technological innovations.

Transnational key challenges and opportunities related to environment and resource efficiency

As a semi-enclosed and shallow sea, the Baltic Sea is particularly vulnerable to negative impacts (e.g. eutrophication) from nutrient inflows and discharges of hazardous substances. This hampers the regional economic development as, for example, fish stocks are endangered by toxins in the water, marine life is aggravated by severe algal blooms and coastal tourism could be affected by growing environmental concerns.

Even though water management has been improved in recent years, the environmental state of the Baltic Sea is still endangered due to structural changes in agricultural production, insufficient recycling of nutrients and insufficient nutrient removal in urban waste water treatment systems and from industrial sources. At the same time, the Baltic Sea region has the potential to capitalise on the existing water management expertise in order to further develop sustainable solutions and to become a leading region in this field.

The marine environment is additionally endangered by climate change, in particular, the harming of coastal areas and islands. One of the possible effects of climate change is aggravated eutrophication as the measures to improve the water quality of the Baltic Sea Action Plan applied today will be less efficient in a changing climate.

While there is a well-developed regulatory framework for the water and resource management (e.g. EU Marine Strategy Framework Directive, the Nitrates and Water Framework Directives and the HELCOM Baltic Sea Action Plan) there is still a lack of legally binding commitments to implementation of these existing agreements and regulations. Furthermore, there is a lack of or no cooperation between different sectors, e.g. agriculture and nature conservation, tourism and coastal protection, shipping and fisheries. These sectors are often conflicting. However, there is potential for joint benefits if these sectors cooperate and look for joint solutions, taking into account the economic effects and environmental sustainability.

At the same time there is huge potential in the Baltic Sea Region for resource efficient growth. There is scope for increasing the renewable energy use by developing place-based patterns for energy production using the endogenous potential of renewable resources and waste resources. Furthermore, energy consumption differs significantly around the BSR. Some countries show relatively efficient energy consumption, while others have lower overall energy efficiency. To reach the energy targets set by the Europe 2020 Strategy (20% of energy consumption from renewables and increase energy efficiency by 20% by 2020) there is a need for an increased production and use of renewable energy as well as energy efficient solutions and energy savings throughout regional spatial planning. Using this potential collaboratively will not only decrease the regional dependence on fossil fuels and minimise the negative environmental impacts, but also quickly affect the economy and the employment situation since many jobs in the BSR are in energy intensive and/or resource-based sectors.

"Blue growth", i.e. the development of those sectors that are based on marine resources, is considered to have substantial potential to contribute to the sustainable growth of the BSR. It includes not only traditional sectors of maritime economy, such as fisheries and transport, but also novel and developing sectors that are making use of the vast resources of

the sea, for instance wave energy, offshore wind-energy, and aquaculture. Within these sectors, both novel technologies and growing knowledge about the uses of marine resources can give a strong impetus for development of entrepreneurship and create new businesses and jobs in the BSR.

Sustainable blue growth requires coordinated approaches in order to mediate between contradictory interests of different stakeholders in uses of these resources. These conflicts cannot be solved by each BSR country alone. It requires an improved transnational cooperation around the use of marine resources and space on a policy level, using the benefits of the various maritime policy tools like maritime spatial planning and integrated coastal zone management.

Transnational key challenges and opportunities related to sustainable transport and removing bottlenecks in key network infrastructures

Long distances, difficult geographic and climate conditions and low population density make some of the northern and eastern parts of the BSR the least accessible areas in Europe. This concerns both, the internal as well as the external accessibility of the region.

Due to separation by national borders, multiple legislative systems and different safety and technical standards the transport systems in the BSR are not fully interoperable. TEN-T networks are not sufficiently well connected and integrated with the region and its secondary and tertiary networks, as well as with the networks of the Northern Dimension partners from Russia, Norway and Belarus.

Sea transport has the potential to improve the capacity of road and rail transport systems. Yet, the Baltic Sea is, at the same time, a geographic obstacle to easy transport and logistic flows between the countries in the BSR, requiring solutions combining different modes of transport.

Further key challenges for the transport planning are an increasing political and economic demand to further increase sustainability of transport as well as the demographic change that will require particular adaptations due to ageing societies and the depopulation of rural areas.

Maritime transport currently represents up to 15% of the world's cargo traffic with 2000 ships crossing the Baltic Sea at any time and is expected to grow further. This most likely will increase the risk of maritime accidents in the Baltic Sea involving regular freight, hazardous substances and passenger shipping. The economic pressure that the shipping industry is facing and the limited resources of public administrations furthermore set certain limitations to potential safety and security actions. The resources could be more effectively used if there would be more cooperation between maritime safety administrations and related functions and tasks between countries at national level. The precondition of high safety and security levels is also that the shipping sector is relatively profitable and that the regulative and administrative framework supports it.

Although being considered as a primarily environment-friendly transport mode, shipping has negative effects on the environment, including emissions into the atmosphere as well as noise emission, illegal and accidental discharge of oil, hazardous substances and other wastes. The Baltic Sea is especially exposed to the threats from shipping and other human marine activities due to its semi-closed environment and shallow, brackish waters. From the biological perspective the introduction of alien organisms via ships' ballast water and

hull is a continuous danger to the ecologically fragile Baltic Sea and its endemic species. Another feature distinct for the region's maritime transportation system are the harsh climate conditions featuring low temperatures and ice formation particularly in the northern parts of the Programme area. This puts additional strain on the maritime transport shipping personnel and their equipment.

The major economic activity in the BSR takes place in and around urban areas. Cities and towns attract investment and jobs, and they are essential to the well-functioning economy of the region. Urban transport systems are integral elements of the wider transport system of the Baltic Sea Region. Cities and urban areas play a crucial role in the transformation towards a low carbon society. Cities will have to adopt their infrastructure to reduce carbon emissions while continuing to ensure citizens' well-being and economic performance.

Transnational key challenges and opportunities related to the implementation of the EU Strategy for the Baltic Sea Region and common priorities with the partner countries

Since its adoption in 2009, the EU Strategy for the Baltic Sea Region facilitates cooperation between the Member States around the Baltic Sea and the partner countries tackling common challenges in the region. The Strategy helps formulate joint policy objectives and supports better coherence of EU policies in the region. Several projects with a macro-regional impact have been implemented and several macro-regional development processes are currently on-going.

Nevertheless, there are still bottlenecks hindering the implementation of the Strategy, identified in the 'Analysis of needs for financial instruments in the EU Strategy for the Baltic Sea Region'. During the previous Programme period, until 2013, the implementation of most of the priority areas of the Strategy has been depending, to a larger extent, on EU Structural Funds, in particular European Territorial Cooperation Programmes. The financial volume of these instruments is, however, modest compared to further instruments which potentially would be available for supporting actions implementing EUSBSR. The main challenges in the implementation of the Strategy relate to mobilisation of different funding sources and to complex project preparation and governance in a transnational environment. Among other things lack of experience and capacity in public administrations to implement complex transnational processes, hinders realisation of the full potential of the Strategy.

At the same time there is a need to intensify involvement of the partner countries as well as links of the EUSBSR to regional strategies covering the partner countries, in particular to the North-West Strategy of Russia. This will streamline the strategic efforts and will facilitate development of joint actions in the fields of common interest.

The first steps in mobilising the synergies between the EUSBSR and North-West Strategy of Russia were done in the EU – Russia working group addressing the five topics of joint interest: environment including agriculture, innovation including support to SMEs, transport including maritime safety, civil protection, and social issues.

Programme Objective

Based on the selected cooperation themes, as well as key challenges and opportunities described in the previous sub-chapter, the overall objective of the Baltic Sea Region Programme 2014-2020 has been defined as follows:

To strengthen the integrated territorial development and cooperation for a more innovative, better accessible and sustainable Baltic Sea Region

The Programme promotes transnational cooperation and integration in the BSR by projects addressing the common key challenges of the region as described above. Its added value compared to other funding programmes is related to the transnational benefits of the supported actions and investments. It responds to opportunities and risks which cannot (sufficiently) be dealt with by single countries but require a joint response by partners from several countries from the BSR.

The Programme contributes to territorial cohesion and to a higher degree of territorial integration in the BSR. It aims at making the most of its territorial assets and at reducing territorial disparities. In line with the Territorial Agenda 2020 of the EU, the programme follows a place-based approach, i.e. its projects are implemented in both sectoral and territorial contexts.

Taking into account the wide geographic coverage and range of topics covered in the Programme the financial resources are limited, especially compared to national and regional cohesion programmes. Therefore, the Programme cannot finance large-scale implementation on its own. Instead the Programme develops a leverage effect on regional development by investing in the institutional capacities of the Programme's target groups. Improved institutional capacity in the Programme context is understood as:

1) Enhanced institutionalised knowledge and competence;

2) Improved governance structures and organisational set-up;

3) More efficient use of human and technical resources (databases, technical solutions, small infrastructure etc.);

4) Better ability to attract new financial resources;

5) Increased capability to work in transnational environment.

These improvements in institutional capacities will derive from genuine transnational cooperation. To classify the maturity of cooperation INTERACT has defined a scale to measure the degree of cooperation. It has the following 6 levels starting with the least developed (1) through to advanced maturity (6):

1) Meeting: Getting to know each other, learning about motivation, interests, needs, skills, expectations, cultural and structural aspects;
2) Information: Delivering (targeted) exchange of information, building basic cooperation structures and trust, shaping common ideas
3) Coordination/Representation: Creating a joint partnership structure, first allocation of functions and roles
4) Strategy/Planning: Defining joint objectives and developing concrete actions
5) Decision: Binding commitments of partners, partnership agreement

6) Implementation: Joint implementation of actions, efficient joint management, fulfilment of requirements by each partner

Due to the advanced stage of cooperation in the Baltic Sea Region it is expected that the majority of projects will reach high degrees of cooperation (4-6). Yet, with some projects activity at lower levels could be acceptable if they address new topics or if new partners that have not yet been involved in cooperation were to be integrated.

Programme Priorities

Four priority axes have been defined in response to the identified transnational key challenges and opportunities above. They are briefly introduced in the following section. A detailed description of the actions to be financed, their expected contribution to the corresponding specific objectives and the related result and output indicators can be found in section 2 below.

Priority 1'Capacity for innovation'
(Based on Article 9 of Regulation (EU) 1303/2013 Thematic Objective 1: Strengthening research, technological development and innovation)

Priority 1 'Capacity for innovation' is dedicated to actions strengthening the ability of the BSR to create and commercialise innovation. It aims at supporting a framework for the generation of innovations building on complementarity in a diverse region in such a way that new, smart combinations of competences and strengths can develop and reach its full potential. The Priority encourages experimentation with new approaches and solutions to be practically tested through pilot actions in specific fields reflecting large societal challenges and sectors of importance for the BSR. As there are many other on-going processes and programmes targeting support for innovation and its infrastructure, projects financed under this Priority should stem directly from the need for transnational cooperation in the BSR. They will be complemented by actions from other funding sources, on the national level for instance.

A special focus of the Priority lies on utilisation of the complete potential of existing and planned research and innovation infrastructures. Furthermore, acknowledging the diverse needs and strengths of the region, the Priority is dedicated to supporting capacity-building for smart specialisation strategies and their implementation, e.g. through test and pilot activities. Importantly, the Priority provides space for reinforcement of non-technological innovation. Through its focus on demand for specific innovation capacity it supports the public sector as an innovation driver and enhances innovation uptake of SMEs.

Specific Objectives related to Priority 1:

- ***Specific objective 1.1 'Research and innovation infrastructures':***
  To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users

- ***Specific objective 1.2 'Smart specialisation':***
  To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach

- ***Specific objective 1.3 'Non-technological innovation':***
  To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors

Priority 2 'Efficient management of natural resources'
(Based on Article 9 of Regulation (EU) 1303/2013 Thematic Objective 6: Preserving and protecting the environment and promoting resource efficiency)

Priority 2 'Efficient management of natural resources' is targeted at the reduction of pollution of the waters in the BSR and the strengthening of resource-efficient growth, in particular sustainable production and use of renewable energy, energy efficiency and resource-efficient blue growth.

This Priority aims at supporting transnational cooperation enhancing capacity of public authorities and practitioners in water management and developing integrated approaches to reducing nutrient loads and decreasing discharges of hazardous substances to the Baltic Sea and the regional waters. It encourages capitalising on the existing achievements in this field in order to advance the implementation of the common environmental priorities. In addition, it supports testing of innovative water management solutions in different sectors of the economy and their further anchoring in the daily practice in the region.

The Priority pays due attention to strengthening the regional energy performance through supporting development and testing of governance and funding models as well as technological solutions for production and distribution of renewable energy and for improved energy efficiency. Place-based approaches in this field would allow using the regional economic potential and contributing to regional development with a focus on the forms of energy available in the region.

Finally, the Priority aims at strengthening the sustainable and resource-efficient blue growth in the BSR. Both traditional (e.g. maritime and coastal tourism) and novel (e.g. aquaculture, mussel farming, blue biotechnology) sectors are the focus of attention. The application of sustainable solutions has to be assured in all maritime activities in order to reduce pressure on the marine environment stemming from new activities of the blue economy as well as to mediate the conflicting interests in uses of the marine resources, also on the policy level using maritime policy tools, e.g. maritime spatial planning and integrated coastal zone management.

Specific Objectives related to Priority 2:

- ***Specific objective 2.1 'Clear waters':***
  To improve the environmental state of the Baltic Sea and the regional waters based on increased efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances

- ***Specific objective 2.2'Renewable energy':***
  To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply

- ***Specific objective 2.3 'Energy Efficiency'***
  To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning

- ***Specific objective 2.4 'Resource-efficient blue growth':***
  To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors

Priority 3 'Sustainable transport'
(Based on Article 9 of Regulation (EU) 1303/2013 Thematic Objective 7: Promoting sustainable transport and removing bottlenecks in key network infrastructures)

Priority 3 'Sustainable transport' aims at better connecting the secondary and tertiary transport networks and nodes in the Baltic Sea Region to core transport networks as the ones defined by TEN-T and Northern Dimension Partnership on Transport and Logistics with its particular inclusion of the transport networks of the partner countries in the regions of Belarus, Russia and Norway.

Furthermore, this Priority pays particular attention to support the greening of the region's transport systems, e.g. by increased interoperability of transport modes and more efficient use of existing transport capacities via multimodal transport chains. Another aspect is the support to more organised use of existing transport infrastructures and corridors by innovative application of transport corridor support structures.

The Priority aims to improve accessibility of distant areas that have accessibility deficits to urban, administrative and economic centres and areas affected by demographic change.

Due to the significance of maritime transport for the region's competitiveness and environment part of the priority is devoted solely to maritime issues. Its scope does not only focus on the improvement of transport services but addresses also safety measures and environmental protection.

Moreover cities and urban areas play a crucial role in the transformation towards a low carbon society. Therefore, the priority specifically focuses on urban areas of the Baltic Sea Region with the aim of increasing environmentally friendly mobility by helping cities to adopt their infrastructure and habits to reduce carbon emissions.

Specific Objectives related to Priority 3:

- ***Specific objective 3.1 'Interoperability of transport modes':***
  To increase efficiency of transporting goods and persons in north-south and east-west connections through interoperability

- ***Specific objective 3.2 'Accessibility of remote areas and areas affected by demographic change'***
  To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change through economically efficient solutions

- ***Specific objective 3.3 'Maritime safety'***
  To increase maritime safety and security based on advanced capacity of maritime actors

- ***Specific objective 3.4 'Environmentally friendly shipping'***
  To enhance clean shipping based on increased capacity of maritime actors

- ***Specific objective 3.5 'Environmentally friendly urban mobility'***
  To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban actors

Priority 4 'Institutional capacity for macro-regional cooperation'
(Based on Article 9 of Regulation (EU) 1303/2013 Thematic Objective 11 'Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration')

Priority 4 'Institutional capacity for macro-regional cooperation' is dedicated to actions strengthening the implementation of the EU Strategy for the Baltic Sea Region as well as the implementation of common priorities of the EUSBSR and regional strategies of the partner countries.

It facilitates the preparation of new initiatives helping implement one of the priority areas or horizontal actions of the EU Strategy as well as implement common priorities with the partner countries. This is done by providing seed money funding for preparation of projects of strategic importance to be funded by different funding sources available in the region.

Priority 4 also aims at supporting the Priority Area Coordinators (PAC) and Horizontal Action Leaders (HAL) in coordinating the transnational development activities and in achieving the targets of the priority areas and horizontal actions.

A special focus of the Priority lies on involvement of the partner countries and facilitation of links between the EUSBSR and the strategies covering the partner countries.

Specific Objectives related to Priority 4:

- ***Specific objective 4.1 'Seed Money'***

  To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with the partner countries

- ***Specific objective 4.2 'Coordination of macro-regional cooperation'***

  To increase capacity of public institutions and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the partner countries

- Justification for the choice of thematic objectives and corresponding investment priorities, having regard to the Common Strategic Framework, based on an analysis of the needs within the programme area as a whole and the strategy chosen in response to such needs, addressing, where appropriate, missing links in cross-border infrastructure, taking into account the results of the ex-ante evaluation

Table 1: Justification for the selection of thematic objectives and investment priorities

Selected thematic objective	**Selected investment priority**	**Justification for selection**
Thematic Objective 1 'Strengthening research, technological development and innovation'	Investment priority 1(a): Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest	– *Wide range and uneven distribution of research and innovation infrastructures in the BSR* – *Potential for better links between research resources within BSR, and outside* – *Potential to improve governance structures and ensure optimal use of resources* – *Need for better involvement of infrastructures' users and potential for better translation of research into business* – *Insufficient cooperation among public, academic and private sectors hampering market-led R&D and demand-driven innovation*
Thematic Objective 1 'Strengthening research, technological development and innovation'	Investment priority 1(b): Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies	– *Potential to build on diversity to achieve smart combinations of competencies* – *Potential to build on diversity to achieve smart combinations of competencies* – *Need for capacity building measures to implement smart specialisation strategies* – *Potential for developing innovative responses to*

		large societal challenges – *Underused potential of excelling in non-technological innovation* – *Need for market-driven innovation and involvement of SMEs into discovering areas of future specialisation*
Thematic Objective 6 'Preserving and protecting the environment and promoting resource efficiency'	Investment priority 6(b): Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements	– *Impaired environmental state of the Baltic Sea caused by eutrophication and hazardous substances* – *Lack of cooperation between different sectors having an impact on the water status* – *Insufficient capacities of administrations and industries to reduce water pollution* – *Shortcomings in existing monitoring and reporting systems* – *Potential for more efficient nutrient management which will lead to reduced eutrophication* – *Targets set out at the pan-Baltic level (e.g. HELCOM BSAP)*
Thematic Objective 6 'Preserving and protecting the environment and promoting resource efficiency'	Investment priority 6(g): Supporting industrial transition towards a resource-efficient economy, promoting green growth, eco-innovation and environmental performance management in the public and private sectors	– *Dependence on fossil fuel imports* – *High greenhouse gas emissions* – *Low energy efficiency and insufficient energy saving in the programme area* – *Europe 2020 Strategy target: create 20 % of energy consumption from renewables and increase energy efficiency by 20 % by 2020* – *Significant potential for the region to become a forerunner in sustainable*

		and resource efficient blue growth – *Need to mediate contradictory interests in uses of marine resources*
Thematic Objective 7 'Promoting sustainable transport and removing bottlenecks in key network infrastructures'	Investment Priority 7(b): Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes	– *Transport networks/modes are not fully interoperable and separated by the sea* – *Need to increase sustainability of transport* – *Increased sea transport improves capacity on sea rail and road transport systems* – *Needs for transport networks and related planning and implementation perspectives are heterogeneous* – *Interconnection points to the trans-European transport networks needed* – *The BSR features distant areas with accessibility deficits* – *Demographic challenges affecting current transport systems*
Thematic Objective 7 'Promoting sustainable transport and removing bottlenecks in key network infrastructures'	Investment Priority 7 (c): Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility	– *Increased safety of navigation contributes to reduction of collisions* – *Need to address negative effects to the environment caused by shipping* – *Need to adapt to new regulation on reducing sulphur emissions* – *BSR features harsh climate conditions that put additional risk on the maritime transport* – *Multimodality of urban passenger and freight transport facilitate more sustainable urban*

		transport systems – *Cities have to adopt their mobility culture and infrastructure to reduce carbon emissions*
Thematic Objective 11 'Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration'	Development and coordination of macro-regional and sea-basin strategies (within the thematic objective of enhancing institutional capacity of public authorities and stakeholders and an efficient public administration)	– *A macro-regional strategy helps formulate joint policy objectives and supports better coherence of EU policies in the Baltic Sea Region* – *A macro-regional strategy offers a platform for transnational cooperation projects and increases their durability* – *Lack of experience and capacity in public administrations to implement complex transnational processes* – *A need to mobilise different funding sources for implementation of the EU Strategyand common priorities with the partner countries* – *A need to intensify cooperation with actors in the partner countries and links of the EU Strategy to the partner countries*

1.2 Justification for the financial allocation

Justification for the financial allocation (i.e. Union support) to each thematic objective and, where appropriate, investment priority, in accordance with the thematic concentration requirements, taking into account the ex-ante evaluation.

Will be filled in after decision on financial allocation

Objective tree

To strengthen the integrated territorial development and cooperation for a more innovative, better accessible and sustainable Baltic Sea Region

Priority Axis 1	Priority Axis 2	Priority Axis 3	Priority Axis 4
„Capacity for innovation“	**„Efficient management of natural resources“**	**„Sustainable transport“**	**„Institutional capacity for macro-regional cooperation“**
Thematic objective 1	Thematic objective 6	Thematic objective 7	Thematic objective 11
„Strengthening research, technological development and innovation“	**„Preserving and protecting the environment and promoting resource efficiency“**	**„Promoting sustainable transport and removing bottlenecks in key network infrastructures“**	**Enhancing institutional capacity & efficient public administration**
Investment priority 1a **„Research & innovation infrastructure“**	Investment priority 6b **„Investing in the water sector“**	Investment priority 7b **„Connecting secondary and tertiary nodes to TEN-T infra-structure“**	Investment priority 11 **„Macro-regional and sea-basin strategies“**
Investment priority 1b **„Innovation support“**	Investment priority 6g **„Resource efficient economy“**	Investment priority 7c **„Environment friendly and low-carbon transport systems“**	
Specific objective **1.1 Research and innovation infrastructures**	Specific objective **2.1 Clear waters**	Specific objective **3.1 Interopera-bility of trans-port modes** **3.2 Accessibility of remote areas and areas affected by demographic change**	Specific objective **4.1 Seed Money** **4.2 Coordination of macro-regional cooperation**
Specific objective **1.2 Smart specialisation** **1.3 Non-technological innovation**	Specific objective **2.2 Renewable energy** **2.3. Energy efficiency** **2.4 Resource-efficient blue growth**	Specific objective **3.3 Maritime safety** **3.4 Environmen-tally friendly shipping** **3.5 Environmen-tally friendly urban mobility**	

Table 2: Overview of the investment strategy of the cooperation programme

Priority axis	ERDF support (in EUR)	Proportion (%) of the total Union support for the cooperation programme (by Fund)[4]			Thematic objective[5]	Investment priorities[6]	Specific objectives corresponding to the investment priorities	Result indicators corresponding to the specific objective
		ERDF[7]	ENI[8] (where applicable)	IPA[9] (where applicable)				

4 Presentation of the shares corresponding to ENI and IPA amounts depends on management option chosen.
5 Title of the thematic objective (not applicable to technical assistance).
6 Title of the investment priority (not applicable to technical assistance).
7 European Regional Development Fund
8 European Neighbourhood Instrument
9 Instrument for Pre-Accession Assistance

SECTION 2. PRIORITY AXES

(Reference: points (b) and (c) of Article 8(2) of Regulation (EU) No 1299/2013)

Section 2.A. A description of the priority axes other than technical assistance

(Reference: point (b) of Article 8(2) of Regulation (EU) No 1299/2013)

2.A.1 Priority axis 1 Capacity for innovation

2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

ID of the priority axis	**Priority 1**
Title of the priority axis	**Capacity for innovation**

☐ The entire priority axis will be implemented solely through financial instruments	
☐ The entire priority axis will be implemented solely though financial instruments set up at Union level	
☐ The entire priority axis will be implemented through community-led local development	

2.A.3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	*Union funds (ERDF and ENI)*
Calculation basis (public or total)	*Total*

2.A.4 Investment priority (repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	*Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest*

Investment Priority	*Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies*

2.A.5. Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	*Investment Priority: Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest*
Specific objective	**1.1 'Research and innovation infrastructures':** To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures and their users
The results that the Member States seek to achieve with Union	Improved capacity of research and innovation infrastructures and their users allowing for better

support	market uptake of innovation This leads to more efficient utilisation of existing research and innovation infrastructures and through this to advancing innovation performance of the BSR.

ID	*Investment Priority: Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies*
Specific objective	**1.2 'Smart specialisation':** To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach
The results that the Member States seek to achieve with Union support	Increased capacity of innovation actors (innovation intermediaries, authorities, research organisations, enterprises) to apply smart specialisation approach. This leads to unlocking growth opportunities of the BSR that are related to prominent areas of specialisation.

ID	*Investment Priority: Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart*

	specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies
Specific objective	**1.3 'Non-technological innovation':** To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors
The results that the Member States seek to achieve with Union support	Increased capacity of innovation actors (innovation intermediaries, authorities, research organisations, enterprises) to improve conditions for non-technological innovation This leads to increasing the BSR ability to generate non-technological innovation and gives possibilities for development of regions technologically lagging behind.

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Specific objective 1.1 'Research and innovation infrastructures'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[10]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to enhanced market uptake of innovation based on enhanced capacity[11] of research and innovation infrastructures	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme beginning defining gaps in capacity of research and innovation infrastructures existing in the Programme area's regions[12]	2015	The descriptive target will be defined as a result of workshops[13] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[10]Target values may be qualitative or quantitative.

[11] Definition of capacity: see section 1 Programme Strategy

[12] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.

[13] For definition of workshop, please see footnote above

Specific objective 1.2 'Smart specialisation'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[14]	Source of data	Frequency of reporting
1	State of development towards enhanced growth opportunities in the Baltic Sea Region based on enhanced capacity[15] of the innovation actors[16] to work with smart specialisation approach	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme's beginning defining gaps in innovation actors' capacity related to working with smart specialisation approach in BSR.[17]	2015	The descriptive target will be defined as a result of workshops[18] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[14] Target values may be qualitative or quantitative.
[15] Definition of capacity: see section 1 Programme Strategy
[16] Innovation intermediaries, authorities, research organisations, enterprises
[17] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[18] For definition of workshop, please see footnote above

Specific objective 1.3 'Non-technological innovation'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[19]	Source of data	Frequency of reporting
1	State of development towards advancing BSR performance in non-technological innovation based on increased capacity[20] of innovation actors	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme's beginning defining gaps in the Baltic Sea Region with regard to capacity of innovation actors to adopt new solutions improving conditions for non-technological innovation non-technological innovation. [21]	2015	The descriptive target will be defined as a result of workshops[22] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[19]Target values may be qualitative or quantitative.
[20] Definition of capacity: see section 1 Programme Strategy
[21] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[22] For definition of workshop, please see footnote above

2.A.6. Actions to be supported under the investment priority (by investment priority)

2.A.6.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment Priority	*Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest*

Specific objective 1.1 'Research and innovation infrastructures':

To enhance market uptake of innovation based on improved capacity of research and innovation infrastructures[23] and their users

The Baltic Sea Region features a wide range of research and innovation infrastructures (e.g. large-scale research instruments; test bed facilities; databases; biological archives; clean rooms; high-speed communication networks; technology and innovation centres, clusters, technology and science parks, technology incubators and other related organisations). However, the existing facilities are not equally distributed, interconnected and optimally used. Furthermore, there is a lack of a coordination framework that would ensure better assessment of the needs including prioritisation, management of already existing facilities and building links between research resources located within the Baltic Sea Region, as well as in other EU countries and outside the EU borders.

Therefore, there is a noteworthy potential for joint actions on the transnational level in order to improve governance structures of infrastructures, ensuring sustainability of resources, optimal sharing and exchange of data and translation of research into business activity. Consequently, in order to enhance market uptake of innovation, the Programme within this specific objective aims at improving research and innovation infrastructure facilities' ability to manage own resources efficiently and to deliver outcomes based on a combination of available resources and capacities in different regions/countries. In addition, the Programme strives to improve the infrastructures' ability to attract external users and ensure external financing, as well as to coordinate their efforts with different research and innovation infrastructures.

To improve transnational links between the infrastructures and their users and thus achieve greater diffusion of research into the market, the investment priority seeks to reaffirm the role of the private sector. Various modes of enterprises' (notably SMEs) participation should be considered, such as involvement of research and innovation infrastructures' users in testing and piloting activities. Additional focus is placed on engaging companies in the capacity of know-how providers at early planning and identification stage of the infrastructures. At the

[23] The term "research infrastructure" used throughout the document refers to facilities, resources or services that are needed by the scientific and technological communities to conduct basic or applied research in the whole range of scientific and technological fields like test-bed facilities, collections, depositories, observation facilities, synchrotrons. Whereas, the term "innovation infrastructures" covers institutions established to support building capacity for innovation like technology and innovation centres, clusters, technology and science parks, technology incubators and other related organisations.

same time the need for more demand-driven research is addressed through capacity building measures for the public sector, encouraging their active involvement in creating demand for specific innovation.

As a response to vulnerability of research and innovation infrastructures to the rapid change on the demand side, the Programme seeks to support monitoring and assessment structures of the infrastructures.

A particular focus will be put on the projects supporting research and innovation infrastructures contributing to development of areas that are central for the BSR, such as ICT, agro-food, healthcare/wellness, biotech, cleantech, energy (notably renewables), advanced materials and maritime sector, and others. At the same time, the innovation and research facilities' operations should be seen as a response to large societal challenges related to climate change, low carbon economy, food security, and ageing population, leading to cross-sectoral collaborations and solutions. To accomplish this, modes of involvement of non-profit organisations and use of its know-how should be considered as well.

Examples of actions:

- Identifying challenges in management of research and innovation infrastructures followed by preparation of joint training programmes for infrastructure operators, development of mechanisms ensuring cost-efficient exploitation of resources and best use of the scientific results;

- Mapping and enhancing roles of different actors (including public sector) in development of the research infrastructures as well as establishing structures for monitoring and assessing demand for specific research capacities;

- Developing incentive and funding schemes improving interactions among research and innovation infrastructure providers, public sector as innovation driver and consumer, and other user communities including enterprises (notably SMEs), in particular exploring and implementing low cost schemes for SME's within the sectors of importance for the BSR;

- Translating research into products and services e.g. by conducting joint tests at the test bed facilities with a view to defining, adopting and promoting best practices in utilisation of such infrastructures or to link capabilities of several test bed facilities and establishing common practices among them;

- Piloting solutions to the large societal challenges in the Baltic Sea Region based on joint research efforts with a view to exploring the most efficient cooperation schemes between research communities, public sector and business sector (notably SMEs);

- Networking regions with a view to better utilising existing or planning new research and innovation infrastructures.

Main target groups:

- Public authorities/institutions responsible for planning and evaluation of the research and innovation infrastructures;

- Organisations hosting existing research and innovation infrastructure and potential hosts of the infrastructure in planning;

- Managing bodies of the programmes financing investments into research and innovation infrastructure;
- Research and innovation infrastructure users representing science and business sector with a special focus on SMEs;
- Technology transfer centres;
- Regional development and planning agencies/bodies.

New project proposals should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as SCIENCE LINK and Technet_nano financed by the Baltic Sea Region Programme 2007-2013.

Geographical coverage:

The whole territory of the Baltic Sea Region. Partnerships that include partners from the Southeast part of the region are particularly encouraged. The Programme also provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks.

Investment Priority	*Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies*

Specific objective 1.2 'Smart specialisation'

To enhance growth opportunities based on increased capacity of innovation actors to apply smart specialisation approach

The Baltic Sea Region (BSR) features different levels of innovation performance. Being a diverse region, the BSR has a potential to build on its heterogeneity as a strength, and thus achieve unique, smart combinations of competencies that enable finding new solutions to social and market needs. In order to unlock untapped innovation potential of the BSR the regional capacity building should put a special focus on diversification of innovation support measures that are suitable for the existing potentials and available expertise.

Given the heterogeneity of the region, as well as being in line with the Europe 2020 objectives, the BSR requires a more place-based and demand-driven approach to fostering innovation. This can be realised through an instrument such as smart specialisation. Smart specialisation enables the differentiation of innovation patterns according to the potentials and needs of a specific territory. Therefore, the challenge is to mobilise internal assets and resources in fields where a country or a region is specialised. This covers areas characterised by advanced technologies as well as areas with a non-technological focus such as culture and

creative industries, tourism and others. Smart specialisation is also seen as one of the tools to respond to societal challenges such as climate change and green growth, ageing society and demographical change etc. Therefore, bolstering the application of smart specialisation is important to unlock promising areas of specialisation of the regions and countries in BSR, which ultimately results in new economic activities.

Hence, smart specialisation is important for economic development and growth by contributing to an innovation-based economy. As a precondition to the application of the smart specialisation, capacity to develop and implement smart specialisation strategies has to be enhanced. The Programme takes a transnational approach in supporting smart specialisation though instruments such as peer learning. Therefore, in order to unlock new growth opportunities in the BSR the Programme, within this specific objective, aims at enhancing the capacity of innovation actors (innovation intermediaries, authorities, and research organisations, enterprises) to work with a smart specialisation approach.

In order to address the difficulty related to the practical application of the smart specialisation concept the Programme primarily strives to support building capacity of innovation intermediaries (such as technology centres, incubators, chambers of commerce, development and innovation agencies), as well as non-profit organisations to work with the approach. At the same time, the involvement of the business sector (particularly SMEs) is considered as essential to discover new economic opportunities through a combination of existing knowledge with the resources and capacities in the region. However, this may also require the acquisition of resources (e.g. know-how, human capital, access to networks) outside the BSR.

Examples of actions:

- Forming alliances between different research and innovation milieus with leading competences (including actors from private, public, academic sectors in cooperation with non-profit organisations), in such a way that a unique, smart combination of capabilities occurs with good potential to find new solutions to great societal challenges and market needs, e.g. collaborative development and bringing new eco-innovative goods, processes and services to the market;

- Building cooperation structures to obtain innovation capacity (also from outside the BSR) needed to be globally competitive and to become attractive as a partner to the best milieus in the world;

- Establishing platforms enabling transfer of knowledge and building inter-regional synergies for the development of regional smart specialisation strategies with a special focus on the involvement of entrepreneurial actors and existing networks in discovering promising areas of specialisation;

- Setting up and piloting measures for regions allowing for exchange of experience on implementation of smart specialisation strategies, e.g. networking of regions specialised in the field of culture and creative industries.

Main target groups:

- Public authorities/institutions involved in shaping innovation systems;

- Companies (special focus is put on participation of SMEs, including those working in the service sector);

- Academic and research organisations;

- Innovation support networks and clusters;
- Relevant actors, e.g. NGOs, contributing to unlocking creative potential, social enterprises, etc.;
- Regional development and planning agencies/bodies.

Specific objective '1.3 Non-technological innovation'

To advance the Baltic Sea Region performance in non-technological innovation based on increased capacity of innovation actors

Currently innovation-support mechanisms in the BSR are considered to be inclined towards technological innovation. However, exploitation of the full BSR potential requires greater openness towards non-technological aspects on the one hand, to allow the regions technologically lagging behind to build their position on existing assets, and on the other hand, recognising the fact that the market success of technological innovation often depends on a series of surrounding non-technological innovations.

Furthermore, the BSR demonstrates a great opportunity for utilisation of synergies between research and innovation policies needed to improve competitiveness and economic performance, and the policies needed to resolve large societal challenges such as climate change, energy and resource efficiency, food supply, welfare, health and demographic change.

Therefore, the Programme intervention aims at building favourable framework conditions for non-technological innovation. In particular, the Programme within this specific objective strives to support action to increase capacities of innovation actors (innovation intermediaries, authorities, and research organisations, enterprises) to generate non-technological innovations in order to advance the Baltic Sea Region performance in non-technological innovation.

Under this specific objective particular attention should be placed on social innovation and growing potentials of culture, creative industries and tourism. Tapping into non-technological innovation presents wide entrepreneurial opportunities as well. Thus, specific measures shall be considered to assist innovation uptake by businesses and to support SMEs growth and market access. In addition, innovation basis is to be broadened by involvement of users, which inter alia includes building partnerships with non-profit organisations and public authorities. Here, design thinking is considered as a prerequisite to find new solutions in the innovation chain from demand to end-users.

Examples of actions:

- Actions supporting promotion and utilisation of new ideas (products, services and models) that meet important social needs of the BSR (related to e.g. climate change, ageing population, social inclusion and improving perspectives for young people, sustainability) more effectively than existing approaches, including validation of the proposed ideas through direct involvement of users, e.g. building BSR region wide networks for improving food security or supporting the well-being of the ageing population by innovative solutions for eHealth and social services;
- Actions supporting promotion and utilisation of business opportunities emerging from large societal challenges, e.g. identifying and implementing new ways of supporting potential high-growth firms;

- Actions (e.g. forerunners networks, incentive and risk management models, involvement of municipal residents, non-profit organisations in planning of services) aimed at renewing public services through innovations by focusing especially on public–private partnership, user involvement, procurement of innovations and innovation vouchers;

- Joint developing and implementing of guidelines for integrating user-driven perspectives into national and regional regulatory documents;

- Joint developing of products and services (e.g. networked support centres) which are supporting cultural entrepreneurship and job creation in the creative industries;

- Piloting of actions aiming at matching cultural and creative industries with traditional industries in order to increase the value of traditional industry;

- Awareness raising measures for enterprises on possibilities of using living lab environments; actions targeted at collecting and exchanging of methodologies and best practices for testing, modification and joint development of products and services with users through living labs;

- Actions improving support of innovation intermediaries for SMEs to advance their internationalisation capacity as well as enhance their access to markets within and outside the BSR, and enhancing connections to other SMEs offering complementary services

- Developing and testing of measures that support cross-sectoral match-making of SMEs;

- Developing of schemes dedicated to raising awareness and facilitating the acquisition of skills to stimulate eco-innovation at SMEs as well as enabling access to finances for development and commercialisation of eco-innovation products bearing higher commercial risk;

- Developing low-cost instruments for sharing and exchanging knowledge and skills supporting business development in the Baltic Sea region.

Main target groups:

- Public authorities/institutions involved in shaping innovation systems;

- Companies (special focus is put on the participation of SMEs, including those working in the service sector);

- Academic and research organisations;

- Innovation support networks and clusters;

- Social actors, e.g. NGOs, contributing to the unlocking of creative potential, social enterprises, etc.;

- Regional development and planning agencies/bodies.

New project proposals under specific objectives 1.2 and 1.3 should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as StarDust, Urban Creative Poles, BaltFood, BSHR HealthPort, and SUBMARINER. Among others, the achievements in supporting systems that help generate innovative solutions in response to large societal challenges; in supporting access to markets for SMEs from creative industries; as well as in translating sectoral knowledge into innovation and bringing them to the market.

Geographical coverage:

- The whole territory of the Baltic Sea Region. Partnerships that include partners from the Southeast part of the region are particularly encouraged. The Programme also provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks[24].

2.A.6.2. Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Guiding principles for the selection of operations are equal for all priorities and are summarised in section 5.1.	

2.A.6.3. Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Planned use of financial instruments	-
Not applicable	

2.A.6.4. Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
No major projects with a budget above 50 MEUR ERDF will be supported by the Programme.	

[24] Please note that the eligibility of costs of partners outside the programme area will be decided later during the programming.

2.A.6.5. Output indicators (by investment priority)

(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 5: Common and programme specific output indicators

Investment Priority 1a: Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest

Investment Priority 1b: Promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies

ID	Indicator *(name of indicator)*	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1	No. of NGOs involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
2	No. of research organisations involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
3	No. of SMEs involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
4	No. of large enterprises involved	Number	To be defined based on the volume of the Programme	Project progress reports	To be defined

			funding		
5	No. of local public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
6	No. of regional public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
7	No. of national public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
8	No. of new to the market products and services developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
9	No. of new solutions/measures developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
10	No. of pilot activities/demonstration actions	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

11	Amount of investments realised with the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
12	Amount of investments realised with other than the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

2.A.1 Priority axis 2 Efficient management of natural resources

2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

ID of the priority axis	**Priority 2**
Title of the priority axis	**Efficient management of natural resources**

☐ The entire priority axis will be implemented solely through financial instruments	
☐ The entire priority axis will be implemented solely though financial instruments set up at Union level	
☐ The entire priority axis will be implemented through community-led local development	

2.A.3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	*Union funds (ERDF and ENI)*
Calculation basis (public or total)	*Total*

2.A.4 Investment priority (repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	*Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements*

Investment Priority	*Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors*

2.A.5. Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	*Investment Priority: Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements*
Specific objective	**2.1 'Clear waters':** To improve the environmental state of the Baltic Sea and the regional waters based on increased efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances
The results that the Member States seek to achieve with Union support	Enhanced capacity of public authorities and practitioners (from water management, agricultural, forestry, fisheries etc. sectors) for improved water management This leads to reduced eutrophication and decreased discharges of hazardous substances to the regional waters and the Baltic Sea.

ID	*Investment Priority: Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors*
Specific objective	**2.2 'Renewable energy':** To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply
The results, which the Member States seek to achieve with EU support	Enhanced capacity of public and private actors involved in energy planning and supply (public authorities, energy agencies, waste management, forestry, agricultural advisories, enterprises, NGOs) allowing for increased production and use of sustainable renewable energy. This leads to better utilisation of green growth opportunities across the Baltic Sea region and, thus, to better regional economic performance in the sectors concerned.

ID	*Investment Priority: Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors*
Specific objective	**2.3 'Energy efficiency':** To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning
The results, which the Member States seek to achieve with EU support	Enhanced capacity of public and private actors involved in energy planning (public authorities, energy agencies, enterprises, NGOs) allowing for increased energy efficiency. This leads to better regional energy performance and contribution to the acknowledgment of the BSR as a climate neutral region.

ID	*Investment Priority: Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors*
Specific objective	**2.4 'Resource-efficient blue growth':** To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors
The results, which the Member States seek to achieve with EU support	Enhanced capacity of public authorities, enterprises and NGOs within the blue economy sectors to advance resource-efficient and sustainable blue growth. This leads to better regional economic performance as regional and local actors are able to use new resource efficient and sustainable blue growth patterns in their daily practice.

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Specific objective 2.1 'Clear waters'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[25]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to improving the environmental state of the Baltic Sea and the regional waters based on increased capacity[26] of public authorities and practitioners to implement new or improved water management measures for reduced nutrient inflows and decreased discharges of hazardous substances	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining gaps in capacity of public authorities and practitioners responsible for water management, and in particular for reducing nutrient inflows and decreasing discharges of hazardous substances into the Baltic Sea and the regional waters.[27]	2015	The descriptive target will be defined as a result of the workshops[28] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[25]Target values may be qualitative or quantitative.

[26] Definition of capacity: see section 1 Programme Strategy

[27] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.

[28] For definition of workshop, please see footnote above

Specific objective 2.2 'Renewable energy'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[29]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to increasing production and use of sustainable renewable energy based on enhanced capacity[30] of public and private actors responsible for energy planning and supply	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining gaps in capacity of public authorities and practitioners responsible for energy planning and supply, and in particular for (facilitating) production and use of renewable energy.[31]	2015	The descriptive target will be defined as a result of the workshops[32] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[29]Target values may be qualitative or quantitative.
[30] Definition of capacity: see section 1 Programme Strategy
[31] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[32] For definition of workshop, please see footnote above

Specific objective 2.3 'Energy efficiency'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[33]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to increasing energy efficiency based on enhanced capacity[34] of public and private actors responsible for this sector	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining gaps in capacity of public authorities and practitioners responsible for energy efficiency in the region.[35]	2015	The descriptive target will be defined as a result of the workshops[36] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[33]Target values may be qualitative or quantitative.
[34] Definition of capacity: see section 1 Programme Strategy, pages 11-12
[35] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[36] For definition of workshop, please see footnote above

Specific objective 2.4 'Resource-efficient blue growth'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[37]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to advancing sustainable and resource-efficient blue growth based on improved capacity[38] of public and private actors responsible for this sector	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining capacity of public authorities and practitioners responsible for sustainable and resource-efficient blue growth.[39]	2015	The descriptive target will be defined as a result of the workshops[40] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[37] Target values may be qualitative or quantitative.
[38] Definition of capacity: see section 1 Programme Strategy
[39] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[40] For definition of workshop, please see footnote above

2.A.6. Actions to be supported under the investment priority (by investment priority)

2.A.6.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment Priority	*Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements*

Specific objective 2.1 'Clear waters'

To improve the environmental state of the Baltic Sea and the regional waters based on increased efficiency of water management for reduced nutrient inflows and decreased discharges of hazardous substances

Water management in the Baltic Sea region has improved during the last ten years, resulting in a considerable decrease of phosphorus loads to most sub-basins. For nitrogen, the development has been less positive and the total loads remained virtually unchanged. Although progress has been made, it is obvious that the nutrient reduction targets set in the HELCOM Baltic Sea Action Plan have not been fully reached as only the Bothnian Bay and the Swedish parts of the north-eastern Kattegat are not affected by eutrophication today. The environmental state of the Baltic Sea is still endangered. The reasons are determined by different sectors. Run-offs come from agricultural lands due inefficient handling of nutrients. Waste water treatment from households and industrial sources should still be improved to increase recycling of nutrients and nutrient removal (especially in the Eastern part of the BSR). For the whole Baltic Sea there remains a reduction need of about 107,000 tonnes of nitrogen and up to 9,500 tonnes of phosphorus. These figures describe nutrient load reduction to the sea, which implies even higher reductions at inland and coastal sources due to the retention in the catchment. In addition, climate change affects the marine environment. This could result in aggravated eutrophication as the measures of the Baltic Sea Action Plan applied today will be less efficient in a changing climate.

Furthermore, pollution caused by hazardous substances – defined in accordance with HELCOM as substances that are toxic, persistent and bioaccumulative, or having an equivalent level of concern such as substances with effects on hormone and immune systems – still poses risks to the Baltic Sea area. Though loads and impacts of some hazardous substances have been reduced considerably during the past 20-30 years, concentrations of some other substances have increased (e.g. pharmaceutical substances). According to the HELCOM thematic report on hazardous substances, most parts of the Baltic Sea were classified as "disturbed by hazardous substances", while the northern parts of the Baltic Proper (the catchment area between Sweden and Estonia (the island of Hiumaa)), Western Gotland Basin as well as the Kiel Bight and Mecklenburg Bight were areas with a poorer status. The pollution sources vary throughout the BSR. For example, land-based sources include point sources, such as industrial facilities, municipal wastewater treatment plants, and diffuse sources, such as losses from household uses of chemicals or the use of pesticides. Inappropriate handling of waste material or leakage from large waste disposal sites also presents a danger.

Other threats are posed by the acidity of river waters that run to the Baltic Sea due to climate change; by marine litter, especially plastic waste and the impact of chemicals associated with it; and by mines, weapons and other warfare agents that continue to exist at the bottom of the Baltic Sea.

Climate change, having an impact on the environmental state of the Baltic Sea, might also lead to more extreme weather conditions, in turn increasing the likelihood of acute pollution incidents caused by technological accidents, e.g. onshore and offshore constructions such as oil platforms and refineries, resulting in spills of hazardous substances into the sea waters.

Pollution by nutrient inflows and hazardous substances has a negative impact on the regional economic performance. Fish stocks and other aquatic animals are affected by algal blooms, reduced visibility due to increased plankton. Environmental concerns might also have an impact on further development of the coastal tourism (beach and cruise tourism, recreational boating and fishing).

The topic of water management has been well covered by the projects implemented within the predecessor Baltic Sea Region Programme 2007-2013. The projects produced new information and demonstrated solutions to combat water pollution: e.g. phosphorus removal at pilot waste water treatment plants and sludge handling (PURE and PRESTO), regional water protection action plans for river basins (WATERPRAXIS), assessment of selected hazardous substances and recommendations on control measures (COHIBA), development and dissemination of good practices and technologies in agricultural nutrient management (Baltic COMPASS and Baltic Deal), water management in forested landscapes (Baltic Landscape).

New project proposals should build on these achievements and capitalise on the knowledge and experience already gained in order to make further progress. Furthermore, achievements of projects implemented within HELCOM, Northern Dimension Partnership on Environment, Council of the Baltic Sea States, etc. on combating eutrophication and analysing hazardous substances should feed into the preparation of new applications. This should advance the implementation of the common environmental priorities from the piloting level to the BSR-wide implementation. New proposals should also support a transnational policy-oriented dialogue facilitating and influencing cross sectoral management and realisation of the existing strategies and action plans in order to ensure implementation of the environmental targets agreed at the pan-Baltic level. Furthermore, new initiatives could focus on piloting advanced/innovative actions on preventing discharges of nutrient loads and hazardous substances and anchoring tested solutions in the daily practice, including green technologies to protect the Baltic Sea region waters. In addition, due attention should be paid to green technologies to protect the Baltic Sea region waters and up-stream solutions, which are normally more cost-efficient being precautionary measures. Moreover, the actions should address improvement and harmonisation of monitoring and reporting systems used transnationally for decision-making purposes. In addition, new actions could focus on improving and coordinating response measures among the BSR countries in case of an emergency involving the release of hazardous substances.

The actions should also take into consideration their potential to strengthen regional development and open up new jobs in the BSR. The proposals shall consider how they can improve regional performance in the important economic sectors for the Baltic Sea region (e.g. wastewater management and its links to the energy sector through analysing the sludge potential, sustainable agriculture to increase food production, etc.).

Examples of actions:

- Implementing integrated action plans to protect the Baltic Sea and drainage waters, taking into account stricter targets set in intergovernmental commitments (e.g. HELCOM Baltic Sea Action Plan);

- Establishing and piloting transnational structures for a cross-sectoral policy-oriented dialogue among sectors and actors that have an impact on water quality (e.g. public administrations, water management, agriculture, forestry, biodiversity, technology producers);

- Developing regional strategies on integrated management and coordination of nutrient fluxes, including the Baltic Sea region wide nutrient management strategy covering open, coastal and inland waters;

- Developing and testing sector-based management models (e.g. in agriculture, forestry, etc.) addressing the biodiversity protection along the water systems to meet both environmental and economic needs;

- Developing and implementing regional strategies on climate change adaption to ensure good quality of the Baltic Sea Region waters (e.g. to combat aggravating eutrophication due to climate change);

- Developing and introducing strategies and measures to address the threats posed by underwater weapons and other warfare agents;

- Introducing advanced/innovative measures, including pilot investments, that will prevent discharges of nutrient loads and hazardous substances, help remove and recycle them;

- Improving existing water management monitoring and reporting systems, used for decision-making with a focus on consistency of data and their comparability between countries in the BSR;

- Developing and testing regional hazardous substance management action plans, including the development of a transnational Baltic Sea region wide hazardous substance management strategy covering open, coastal and inland waters;

- Integrating coastal spatial planning with contingency planning to allow for swift responses in case of an emergency involving the release of hazardous substances into the sea;

- Planning and implementing training throughout the Baltic Sea region based on good practices to enhance competence of authorities and practitioners to decrease nutrient release, to improve recycling of nutrients, to increase nutrient removal from point sources (e.g. in waste water treatment plants, sewage facilities or industries) and diffuse sources (e.g. from agricultural lands, fisheries or forestry).

- Planning and implementing training throughout the Baltic Sea region based on good practices to enhance competence of relevant authorities and private stakeholders to eliminate pollution by hazardous substances;

- Developing and piloting common models for monitoring, prevention and mitigation of marine litter;

- Actions supporting joint transnational management of ecosystem services in the water sector (e.g. regulating services of the ecosystem such as wetlands or drainage).

Main target groups:

- Public authorities/institutions responsible for water management at national, regional and local level as well as associations of these authorities;

- Intergovernmental organisations (e.g. HELCOM, VASAB);

- Environmental protection agencies and environmental associations;

- Chemicals agencies;

- Waste water treatment facilities;

- Authorities from specific sectors having an impact on the water quality (e.g. agriculture, forestry, fisheries, etc.);

- Non-governmental organisations (environmental, water protection, farming, pharmaceuticals, etc.)

- Enterprises.

Geographical coverage:

The whole area of the Baltic Sea, coastal waters, as well as the whole drainage area in the Baltic Sea region. The Programme provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks.

Investment Priority	*Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors*

Specific objective 2.2 'Renewable energy'

To increase production and use of sustainable renewable energy based on enhanced capacity of public and private actors involved in energy planning and supply

The BSR countries have potential for increasing renewable energy use, based on the resources available in the region. A place-based approach allows tapping into hidden economic potential of the region and boosting its development.

Under this objective the Programme is looking for new proposals that take into consideration the natural resources available in the region (e.g. wind, water, solar/geothermal sources, biomass from agriculture and forest, manure) as well as waste to produce renewable energy. Waste-to-energy solutions will not only contribute to higher energy performance, but also help improve waste management policies. To use the resources in a sustainable way (e.g. wood biomass), an integrated approach to producing renewable energy should be followed.

These actions will support achieving the goal to increase renewable energy consumption to 20% of the final energy consumption mix by 2020. Furthermore, these actions will decrease the dependence of the region on the import of fossil fuels and resultant high greenhouse gas emissions attributed to their use.

In addition, the Programme is looking for proposals tackling the energy storage capacity and distribution patterns (development and reorganisation of smart grids, integration of storage) and coordination of energy networks (electricity, gas, heating) through a collaborative approach in order to improve storage and integration of renewable energy into the power system in the BSR.

Further, new proposals could improve the regional capacity for renewable energy planning through development and introduction of proactive regional policy instruments. In addition, tested innovative green solutions to produce renewable energy should be better integrated in regional strategies. The results of the projects Bioenergy Promotion, on sustainable bio-energy production, Baltic MANURE and REMOWE, on energy production from waste, should be taken into account when preparing new actions.

Examples of actions:

- Developing and implementing policy incentives for place-based sustainable renewable energy growth;
- Testing innovative green solutions to produce energy from renewable sources, including pilot investments;
- Evaluating and testing alternative technologies for energy recovery from waste (e.g. anaerobic digestion, incineration);
- Improving and coordinating sustainable energy networks (e.g. development and reorganisation of smart grids, virtual power plants, integration of storage);
- Demonstrating and implementing innovative renewable energy storage technologies and distribution patterns.

Main target groups:

- Public authorities/institutions responsible for natural resources and energy planning and supply at national, regional and local level;
- National and regional energy agencies;
- Waste management agencies;
- Forestry and agricultural advisories;
- Enterprises;
- NGOs.

Specific objective 2.3 'Energy efficiency'

To increase energy efficiency based on enhanced capacity of public and private actors involved in energy planning

Energy efficiency differs significantly around the BSR and needs further improvement, especially in the Eastern part of the region. The situation is aggravated by the imminent consequences of climate change. Further, a clear vision for a transition towards low energy cities and regions is often missing, with a few exceptions within the BSR. Energy efficiency aspects (e.g. in housing, heating, waste collection or public spaces) are not yet well integrated into regional planning as there is often a lack of political commitment, a lack of capacity of regional planners and other relevant professional bodies, a lack of dedicated structures fostering collaboration between various governance levels and administration.

There is significant potential to increase energy saving and to become a more climate neutral region through improving urban and rural development strategies. Therefore, the specific objective is dedicated to developing and testing policy, institutional and financial measures and anchoring them in the daily practice of public authorities, responsible for energy planning. Specific attention to improving energy efficiency should be given when developing new quarters or retrofitting building blocks, primarily in cities and towns as they are major energy consumers which offer the largest cost-effective opportunity for savings. The transport sector also shows a greater potential for energy saving. Actions on this topic (e.g. optimising urban logistics) should be covered by priority 3 'Sustainable transport'.

Furthermore, new project proposals could focus on developing scenarios, including specific measures for climate neutral regions, working with energy service companies and innovative financing models on energy efficiency.

Energy saving in production of goods and services should be also encouraged through policy incentives to facilitate a shift to green entrepreneurship.

These actions will support achieving the goal to increase energy efficiency by 20% by 2020. They would open up new jobs and reduce social pressure. More energy efficient domestic heating would improve air quality conditions by reducing pollution emissions.

The results of the projects Urb.Energy on energy efficiency in urban planning and PEA on public energy management should be considered when developing new actions.

Examples of actions:

- Improving and implementing sustainable urban and rural energy strategies comprising an integrated package of policy, institutional, financial and technical measures;
- Developing solutions for better coordination of regional energy planning among the BSR countries;
- Developing and testing policy incentives to implement retrofitting of public and commercial properties;
- Developing new financing models (e.g. energy performance contracting) for energy efficiency e.g. in buildings or production companies;
- Establishing multi-level transnational strategies for optimisation of resources, creation of emission neutral regions, including transfer of models for cooperation with energy service companies on comprehensive energy solutions;

- Developing incentives for energy efficient products and services;
- Promoting green entrepreneurship for energy efficiency.

Main target groups:

- Public authorities/institutions responsible for energy planning at national, regional and local level;
- Local and regional public authorities/institutions (e.g. cities, municipalities) responsible for urban space development, acting as real estate owners and property developers;
- National and regional energy agencies;
- Enterprises;
- NGOs.

Specific objective 2.4 'Resource-efficient blue growth'

To advance sustainable and resource-efficient blue growth based on increased capacity of public authorities and practitioners within the blue economy sectors

The blue growth sectors have substantial potential to contribute to the sustainable growth of the region. The Programme aims at advancing these sectors that rely on sea resources for business purposes. They include, but are not limited to, traditional sectors of maritime economy (e.g. fisheries or coastal tourism) and novel sectors (e.g. wind and wave energy, aquaculture, blue biotechnology, or mussel farming). There is a further opportunity in transnational cluster building around the Baltic Sea (pan-Baltic), or in its specific parts (sub-basin) in order to bundle expertise and increase the success of blue growth projects.

However, an increased application of the blue economy runs the risk of exacerbating pressure on vulnerable sea resources, including the natural and cultural heritage and the ecosystem. To prevent negative impacts, the approach of project proposals must be sustainable and resource-efficient, thereby being consistent with the flagship project "A resource-efficient Europe" of the Europe 2020 Strategy. At the same time, the need to develop environmentally friendly solutions should be understood as an opportunity for the region to become a leader in the sustainable use of marine resources. For instance, the Baltic Sea region should use its potential to develop as an exemplary macro-region of integrated heritage resource management.

In addition, projects under this objective should build up capacity of relevant stakeholders to mediate between contradictory interests of different stakeholders in uses of marine resources, e.g. using maritime policy tools.

The results of the projects SUBMARINER, AQUABEST, and AQUAFIMA, with focus on new marine technologies for a better economy and environment, BaltSeaPlan and PartiSEApate, on maritime spatial planning, should be considered when preparing new actions.

Examples of actions:

- Piloting application of advanced marine technologies for sustainable use of marine resources, with potential for multiple uses of these resources;

- Testing models for cross-sectoral cooperation and clustering of innovative, sustainable applications of marine resource uses that feed into policy development;

- Implementing pilot investments, preparing the ground for future resource-efficient blue economy projects on a larger scale;

- Developing transnational strategies to use the cultural and natural heritage of the sea and coastal areas for business purposes in a sustainable way, e.g. pilot actions improving the resource efficiency of maritime tourism;

- Developing and endorsing integrated management plans on marine environment in sea sub-basins using maritime policy tools;

- Testing models to exchange know-how and establish common standards concerning ecosystem services and harmonisation of maritime spatial plans across the borders.

Main target groups:

- Public authorities/institutions responsible for promotion of industry and economy within blue economy sectors as well as responsible for planning, management and protection of marine resources at national, regional and local level;

- Authorities from specific sectors using marine resources (e.g. energy, agriculture, fisheries, marine tourism, etc.);

- Intergovernmental organisations (e.g. HELCOM, VASAB);

- Environmental protection agencies;

- Enterprises;

- NGOs.

Geographical coverage:

The whole area of the Baltic Sea (with a particular focus on coastal areas in blue growth projects). The Programme provides space for cooperation with actors located outside the formal borders of the BSR to strengthen already established networks.

2.A.6.2. Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Guiding principles for the selection of operations are equal for all priorities and are summarised in section 5.1.	

2.A.6.3. Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Planned use of financial instruments	-
Not applicable	

2.A.6.4. Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
No major projects with a budget above 50 MEUR ERDF will be supported by the Programme.	

2.A.6.5. Output indicators (by investment priority)

(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 5: Common and programme specific output indicators

Investment priority 6b: Investing in the water sector to meet the requirements of the Union's environmental acquis and to address needs, identified by the Member States, for investment that goes beyond those requirements

Investment priority 6g: Supporting industrial transition towards a resource-efficient growth, promoting green growth, eco-innovation and environmental performance management in the public and private sectors

ID	Indicator *(name of indicator)*	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1	No. of NGOs involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
2	No. of research organisations involved	Number	To be defined based on the volume of the Programme	Project progress reports	To be defined

			funding		
3	No. of SMEs involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
4	No. of large enterprises involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
5	No. of local public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
6	No. of regional public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
7	No. of national public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
8	No. of new to the market products developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

9	No. of new solutions/measures developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
10	No. of pilot activities/demonstration actions	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
11	Amount of investments realised with the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
12	Amount of investments realised with other than the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

2.A.1 Priority axis 3 Sustainable transport

2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

ID of the priority axis	**Priority 3**
Title of the priority axis	**Sustainable transport**

☐ The entire priority axis will be implemented solely through financial instruments	
☐ The entire priority axis will be implemented solely though financial instruments set up at Union level	
☐ The entire priority axis will be implemented through community-led local development	

2.A.3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	*Union funds (ERDF and ENI)*
Calculation basis (public or total)	*Total*

2.A.4 Investment priority (repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	*Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes*

Investment Priority	*Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility*

2.A.5. Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	*Investment Priority: Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes*
Specific objective	**3.1 'Interoperability of transport modes':** To increase efficiency of transporting goods and persons in north-south and east-west connections through interoperability
The results that the Member States seek to achieve with Union support	Increased capacity of authorities, public and private logistic and transport operators, ports, intergovernmental and research organisations for higher interoperability between transport modes and systems by sea, rail, road and air This helps to find optimal solutions for increased interoperability, to implement them or to attract funding for their implementation.

ID	*Investment Priority: Enhancing regional mobility by connecting secondary and tertiary nodes to*

	TEN-T infrastructure, including multimodal nodes
Specific objective	**3.2 'Accessibility of remote areas and areas affected by demographic change':** To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change through economically efficient solutions
The results, which the Member States seek to achieve with EU support	Increased capacity of authorities, public and private logistic and transport operators to apply economically efficient solutions maintaining and improving accessibility of remote areas and areas where accessibility is affected by demographic changes This helps to secure and improve the transport of goods and people in the currently least accessible areas of the region.

ID	*Investment Priority: Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility*
Specific objective	**3.3 'Maritime safety':** To increase maritime safety and security based on advanced capacity of maritime actors
The results, which the Member States seek to achieve with EU support	Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to work with maritime safety and security Higher capacity of and increased cooperation among maritime actors in the field of maritime safety and security will help reduce risks associated with maritime transportation.

ID	*Investment Priority: Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland*

	waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility
Specific objective	**3.4 'Environmentally friendly shipping':** To enhance clean shipping based on increased capacity of maritime actors
The results, which the Member States seek to achieve with EU support	Increased capacity of maritime actors (maritime administrations, rescue services, authorities, shipping operators, ports, research and intergovernmental organisations) to reduce negative effects of shipping on the marine environment This leads to greater awareness of maritime actors towards clean shipping and better protection of the marine environment.

ID	*Investment Priority: Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility*
Specific objective	**3.5 'Environmentally friendly urban mobility':** To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban actors
The results, which the Member States seek to achieve with EU support	Increased capacity of authorities, ports, infrastructure providers and operators, transport users to enhance the use of environmentally friendly transport solutions in urban areas This leads to increased acceptance and more application of environmentally friendly transport solutions and thus to less polluted cities in the Baltic Sea Region.

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Specific Objective 3.1 'Interoperability of transport modes'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[41]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to intermodal infrastructure based on investment activities leveraged by the BSR Programme.	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining gaps in capacity[42] of existing interoperability patterns in the BSR.[43]	2015	The descriptive target will be defined as a result of the workshops[44] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[41] Target values may be qualitative or quantitative.

[42] Definition of capacity: see section 1 Programme Strategy, pages 11-12

[43] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.

[44] For definition of workshop, please see footnote above

Specific Objective 3.2 'Accessibility of remote areas and areas affected by demographic change'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[45]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to accessibility of remote areas and areas affected by demographic change based on enhanced capacity[46] of actors within those areas.	Not applicable for the descriptive baseline	The qualitative description of the situation at the Programme start defining capacity of public authorities, transport operators, practitioners responsible and citizens affecting the accessibility of remote areas and areas affected by demographic change. The qualitative description of accessibility of remote areas and areas affected by demographic change.[47]	2015	The descriptive target will be defined as a result of workshops[48] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[45]Target values may be qualitative or quantitative.
[46] Definition of capacity: see section 1 Programme Strategy
[47] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[48] For definition of workshop, please see footnote above

Specific Objective 3.3 'Maritime safety':

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[49]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to maritime safety and security based on enhanced capacities[50] of marine actors.	Not applicable for the descriptive baseline	The qualitative description of maritime safety and security.[51]	2015	The descriptive target will be defined as a result of workshops[52] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[49] Target values may be qualitative or quantitative.
[50] Definition of capacity: see section 1 Programme Strategy
[51] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[52] For definition of workshop, please see footnote above

Specific Objective 3.4 'Environmentally friendly shipping

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[53]	Source of data	Frequency of reporting
1	State of development in the BSR with regard to effects of shipping on marine environment based on enhanced capacities[54] of marine actors.	Not applicable for the descriptive baseline	The qualitative description of effects of shipping on marine environment. [55]	2015	The descriptive target will be defined as a result of workshops[56] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[53]Target values may be qualitative or quantitative.
[54] Definition of capacity: see section 1 Programme Strategy
[55] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[56] For definition of workshop, please see footnote above

Specific objective 3.5 'Environmentally friendly urban mobility'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[57]	Source of data	Frequency of reporting
1	State of development in the urban areas of the BSR with regard to environmentally friendly transportation based on increased capacities[58] of urban transport actors.	Not applicable for the descriptive baseline	The qualitative description of environmentally friendly transportation in urban areas of the BSR.[59].	2015	The descriptive target will be defined as a result of workshops[60] with experts in the field. The descriptive target will set a vision for 2023. It will contain information about the expected changes of capacity due to the Programme's intervention.	Outcome of the evaluation workshop with experts organised in 2023	Description of the achievement against the pre-defined qualitative baseline in 2023

[57] Target values may be qualitative or quantitative.
[58] Definition of capacity: see section 1 Programme Strategy
[59] The baseline will be established using three sources of information: outcome of the thematic programming workshops with experts organised in April 2013; outcome of the external evaluation of the projects' results to be finalised in 2014, and outcome of the validation workshop with external focus group organised in 2015.
[60] For definition of workshop, please see footnote above

2.A.6. Actions to be supported under the investment priority (by investment priority)

2.A.6.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment Priority	*Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes*

Specific objective 3.1 'Interoperability of transport modes'

To increase efficiency of transporting goods and people in north-south and east-west connections through interoperability

In regard to the European Union, Trans-European Transport (TEN-T) network policy foresees the establishment of a comprehensive and a core network. Within the region major TEN-T projects are under development e.g. the Fehmarn Belt fixed link in the Western, the Nordic Triangle axis in the North, Baltic-Adriatic Corridor in the South or the Rail Baltica axis in the Eastern part of the BSR. TEN-T policy alone is not sufficient to accommodate the needs of the region. It has been revealed by the Action Plan for EU Strategy for the Baltic Sea Region, EU-financed project "Baltic Transport Outlook 2030" (BTO 2030) with its "Baltic Sea Macro-Region Strategic Network" and projects of the Baltic Sea Region Programme 2007-2013 cooperating in transport cluster that, due to Baltic Sea Region's specific geography and socio-economic challenges, there is a need for place-based approaches in Baltic Sea Region Transport policy.

In order to ensure the mobility of citizens and businesses, create good conditions for sustainable growth and territorial cohesion, and improve access to the Baltic Sea Region, a sustainable intermodal transport system is needed. This network should complement the core and comprehensive TEN-T network and also take the transport network of the Northern Dimension and the national transport networks of Russia, Norway and Belarus into account.

Not duplicating efforts by TEN-T policies and responding to specific transport needs in the Baltic Sea Region the Programme aims to increase the efficiency of transporting goods and persons in north-south and east-west connections by increasing the interoperability. This includes cross-border movement of passengers and cargo on EU external borders. The Programme will support the removal of "non-infrastructural" bottlenecks within transport corridors and activities easing administrative and technical obstacles to transport e.g. in the field of ICT. It will also support intermodal transport safety issues including protection from emergencies and accidents (including hazardous substances) associated with transport to reduce risk to human life and environment.

Examples of missing interoperability are an outdated geographic design of transport connections in the eastern BSR, different track gauges, safety and technical standards between BSR countries. The Programme will support project activities e.g. easing transport actors' operations outside of their national borders and reducing interruptions in the traffic flow. The well-developed shipping lines combined with effective port and port-hinterland infrastructure can be used as an element to connect the disrupted transport flows across the BSR. The Baltic

Sea helps to reduce carriage of goods and persons by road which is generally considered to be more harmful to the environment. Especially in the Eastern part of the BSR transportation of goods and persons is more common by road. The Programme will support activities increasing the attractiveness of rail and maritime transport. Better coordination and inter-connections between the railway, road, shipping, port and airline sectors can help to increase sustainability and attractiveness of BSR transport. The integration of hinterland transport nodes to Baltic ports including dryports or airports for passengers should be the focus of attention.

The Programme area is not only affected by EU transport policy and transport networks but also by policy and networks of the Northern Dimension countries of Russia, Norway and Belarus. The Programme will support the integration and bridging of TEN-T networks and the Northern Dimension Partnership on Transport and Logistic regional transport networks.

Since TEN-T policy focuses on establishment of physical infrastructure of the core and comprehensive network, the Baltic Sea Region Programme aims to contribute in optimising the added value of the TEN-T core network corridors for sustainable regional growth. Local and regional actors could form platforms to raise their needs towards the corridor managers of the core network. The Programme might also support the BSR specific exchange between TEN-T stakeholder platforms of the core corridors crossing the Baltic Sea Region if agreed with the respective coordinators. To improve interoperability of other BSR transport corridors governance structures could be supported. Such structures should help to address green corridor issues; identify bottlenecks in interoperability or ensure harmonised regional, national, European and international transport infrastructure planning processes. Also, the identification of investment necessities could be at the core of these structures. The Programme could support the initial establishment of regional platforms given convincing prospects for their sustainability in financial terms and involvement of relevant actors.

New project proposals should take into consideration achievements of Baltic Sea Region Programme 2007-2013 projects, such as TransBaltic, Scandria, EWTC II, NECL II, BGLC, Rail Baltica, Baltic.Air.Cargo.Net and Trans-Governance.

Examples of actions:

- Improving joint infrastructure planning of the BSR Transport Networks for short and long-term horizon also in respect of border crossings.

- Improving efficiency of cross-border movements of cargo on the external EU-borders by tackling administrative and fiscal barriers.

- Promoting Baltic Motorways of the Sea and Short Sea Shipping, while simplifying customs procedures for vessels crossing international waters within the Baltic Sea.

- Developing regional hubs, multi-modal transport nodes, port and intermodal terminal capacity and integrating them with hinterland networks.

- Carry out demonstration actions on greening of transport e.g. through seed/experimental activities in technology, freight and passenger logistics.

- Establishing more economic transport modes crossing multiple BSR countries and piloting efficient intermodal transport links. The improvement concerns interventions to upgrade organisational structures and transport related IT systems.

- Harmonising technical, safety, legal, organisational and other aspects of various transport modes and transport networks.

- Promoting and economically facilitating existing free transport capacities which do not solely rely on road transport in the Eastern part of the BSR.

- Developing better connections between airport and rail infrastructure to improve air travel accessibility to regions.

- Establishing platforms which help to gather financing, planning, operating and other affected actors for better management and governance of transport corridors.

- Developing solutions for protection from emergencies and accidents associated with intermodal transport (including hazardous substances).

Specific objective 3.2 'Accessibility of remote areas and areas affected by demographic change'

To improve the accessibility of the most remote areas and regions whose accessibility is affected by demographic change through economically efficient solutions

The BSR features some of the least accessible areas in Europe. These areas have difficult geographic conditions and are remote especially in the northern and eastern part of the BSR; extended land areas with low population density, many settlements on islands or mountainous regions. Both islands and remote land areas are not accessible by common road transport and rely on either a functional maritime or air transportation system.

Another challenge relates to demographic change within the region. An ageing society requires adaptations of public and private transportation. On the other hand, the depopulation of rural areas in favour of larger agglomerations also needs to be addressed. These changes usually result in lower population density and an older population age causing specific accessibility requirements. Given national and regional budgetary constraints new approaches in transport infrastructure and transport service maintenance need to be investigated. The Programme will support project activities helping to maintain accessibility by use of affordable transport infrastructure and service provision e.g. via public/private pooling services and demand responsive transport services.

The growing tourism within the region causes a higher demand for transport connections, as well as towards less accessible areas e.g. along coastal areas and islands. It should be considered an opportunity for future development.

Due to climate conditions the Arctic area is more favourable to shipping than has been forecasted, which is another opportunity. Potentially emerging new Arctic corridors and the current international gas and oil extraction initiatives in the Arctic waters might be favourable in improving those regions' accessibility. The Programme will support projects which build on the above listed opportunities, pooling actors and resources for improvement of accessibility.

New project proposals should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as ACL and Baltic Bird, if relevant.

Examples of actions:

- Developing and implementing mobility management schemes so that the existing transport infrastructure and transport services could be used more efficiently and be more user friendly.

- Developing and applying models/pilots which help to finance operation and maintenance of necessary transport infrastructure.

- Developing and implementing new transport service models to secure accessibility.

- Developing and implementing strategies for improved transport links to exploit the potential of economic and tourism activities (considering ecological questions).

- Developing and implementing strategies to exploit the potential of economic and transport activities in the Arctic region for better accessibility.

Main target groups (for specific objectives 3.1 and 3.2):

- Public administrative units responsible for future hard financial investments in the transport sector.

- Public administrative units responsible for public transport.

- Public authorities/institutions dealing with transport planning at urban, local, regional and national level and their subordinated organisations.

- Ports.

- Public and private logistic and public transport operators.

- Public and private infrastructure providers and operators.

- Intergovernmental organisations and international organisations and expert groups.

- Civil representatives affected by/affecting transport nodes.

- Transport service users.

Geographical coverage: The entire BSR with special focus on the main nodes along North-South and East-West connections and remote areas and areas affected by demographic change.

Investment Priority	*Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility*

Specific objective 3.3 'Maritime safety'

To increase maritime safety and security based on advanced capacity of maritime actors

In the BSR, maritime transport constitutes an important backbone for the trade. At any given moment, there are about 2,000 ships crossing the Baltic Sea. This heavy traffic flows within narrow straits and in shallow waters, covered with ice for a long period, making the Baltic Sea difficult to navigate and increasing the risk of shipping incidents.
The harsh climate conditions featuring low temperatures and ice formation in particular on the northern parts of the programme area put additional strain on the maritime transport shipping personnel and their equipment.

Measures undertaken so far, for example by the BSR Programme projects EfficienSea, BRISK and Baltic Master II as well as by the project Monalisa under the Motorways of the Sea Programme, have had a positive effect on the safety of navigation.

The programme supports actions that develop new, promote and introduce available solutions for safer sea navigation. Furthermore, actions adapting maritime spatial planning, guiding and surveillance systems will be supported. Project proposals should contribute to implementation of actions set in the HELCOM Baltic Sea Action Plan and the Action plan for the EU Strategy of BSR.

Examples of actions:

- Harmonising interpretation and implementation of safety codes, standards and regulations.
- Deploying advanced technologies for maritime safety and security, e.g. implementing e-Navigation, automatic identification systems.
- Deploying dynamic risk assessment systems for vessels entering the Baltic Sea.
- Developing comprehensive security risk assessment for the entire Baltic Sea.
- Piloting solutions for risk prevention and response measures e.g. implementing joint exercises.
- Developing proactive, self-regulative maritime safety, especially among smaller shipping companies in which private actors voluntarily improve the safety of their operations (linked to e.g. corporate social responsibility or eco-labelling).
- Improving education and training systems for seafarers in order to increase their competence and motivation and the attractiveness of this profession.

Geographical coverage: The entire Baltic Sea and its coastal area. Whenever relevant cooperation with the North Sea Region is encouraged.

Specific objective 3.4 'Environmentally friendly shipping'

To enhance clean shipping based on increased capacity of maritime actors

While being economically cheap and environmentally friendly if measured per ton of transported goods, shipping also has negative effects on the environment, including emissions into the atmosphere, noise emission, illegal and accidental discharge of oil, hazardous substances or other wastes.

The Baltic Sea was designated by the International Maritime Organization (IMO) in 2005 as a Particularly Sensitive Sea Area. HELCOM has agreed on a roadmap according to which the wastewater reception capacity of ports in the Baltic Sea area has to be improved. Furthermore, the Baltic Sea was designated by IMO as the first Special SOx Emission Control Area (SECA) putting stricter limits on sulphur emissions under the MARPOL Convention[61] (Annex VI) by(?) the 1 January 2015. Accordingly, shippers need to change the types of fuel or install exhaust gas cleaning in ships. However, the demanding new emission standards could be an incentive for the development of new, clean and safe shipping technologies, also to be exported globally. The programme supports mitigating actions for eliminating the negative consequences and stimulate the needed change in ships, fuel technology and infrastructure. It funds actions contributing to cleaner shipping. This might involve reduction of emissions into the atmosphere, the sea, and noise from shipping; piloting the use of alternative fuels for ships. The project proposals should contribute to implementation of actions set in the HELCOM Baltic Sea Action Plan and the Action plan for the EU Strategy of the BSR.

New project proposals should take into consideration achievements of the Baltic Sea Region Programme 2007-2013 projects, such as BSR InnoShip and Clean Shipping. With regard to the sulphur directive, new project proposals should consider achievements in this respect such as NECL II, BGLC and Transbaltic projects.

Examples of actions:

- Implementing incentives to reduce emissions into the atmosphere, the sea, and noise from shipping.
- Developing voyage related information sharing enabling ships to proceed at economical speed for optimum arrival resulting in fuel savings.
- Developing port reception facilities for ship generated waste and shore-side electricity supply.
- Piloting the use of Liquefied Natural Gas, biofuels or other alternative fuels for ships with adequate support structures.
- Evaluating risks and identifying the best practices in use of LNG fuelled ships.
- Implementing the EU sulphur directive - impacts on marine environment and human health (in the EU part of the Programme Area)
- Piloting measures for clean inland shipping (rivers, lakes).

[61] MARPOL is an International Convention for the Prevention of Pollution from Ships adopted in 1973 and modified by the Protocol of 1978. Annex VI Regulations for the Prevention of Air Pollution from Ships establishes certain sulphur oxide (SOx) Emission Control Areas with more stringent controls on sulphur emissions

- Piloting and promoting the use of new technologies to ensure safe, efficient and environmentally friendly transport.

Main target groups (for specific objectives 3.3 and 3.4):

- Local, regional and national authorities and their subordinated organisations
- Public and private infrastructure providers and operators
- Public authorities/institutions responsible for planning, prevention and response measures at sea and on land in case of major emergencies
- Authorities from specific sectors exploiting the marine and coastal space (e.g. energy, agriculture, fisheries, forestry, etc.)
- Maritime administrations and maritime associations
- Maritime rescue services and emergency agencies
- Shipping operators, ship owners, and suppliers of maritime equipment
- Private and public logistic operators of all transport modes
- Ports
- Research organisations, universities
- Transport users and cargo owners
- Intergovernmental organisations and international organisations and expert groups
- Environmental protection agencies and environmental associations
- Civil representatives related to environment protection

Geographical coverage:

The entire Baltic Sea and its coastal area and inland waters. Whenever relevant, cooperation with North Sea is encouraged.

Specific objective 3.5 'Environmentally friendly urban mobility'

To enhance environmentally friendly transport systems in urban areas based on increased capacity of urban actors

Urban transport is responsible for about a quarter of CO2 emissions from transport. The gradual phasing out of 'conventionally-fuelled' vehicles from the urban environment is a major contribution to significant reduction of oil dependence, greenhouse gas emissions and local air and noise pollution. This transition will have to be complemented by the development of fuelling/charging infrastructure for new vehicles. A higher share of travel by collective transport can increase density and frequency of service. Facilitating walking and cycling should be an integral part of urban mobility and infrastructure design. Introduction of alternative propulsion systems and fuels in particular can be suitable for large fleets of urban buses, taxis and delivery vans. These could make a substantial contribution in reducing the carbon intensity of urban transport while providing a test bed for new technologies and opportunities for early market deployment.

The Programme funds actions supporting transition from a primarily car based personal mobility to a mobility based on high quality public transport, less-used and cleaner passenger vehicles as well as walking and cycling. The interfaces and links between urban and inter-urban transport should be taken into account. The actions should support multi-modality in urban passenger transport. Public services should be forerunners when implementing clean fuel strategies.

The Programme does not support local actions. Exchange of experience can be part of projects, however, partners should go beyond and ensure that their actions increase the use of environmentally friendly and low carbon transportation in BSR cities. This involves promoting acceptance of decision makers, attracting investments, setting up new regulations or transport plans and piloting new transport solutions.

New project proposals should take into consideration achievements of the BSR 2007-2013 project, Baltic Biogas Bus and pilots on public service transport from/to airports of the Baltic Bird project.

Examples of actions:

- Developing sustainable urban mobility policies/plans that provide a comprehensive framework for the development of integrated and sustainable transport systems, e.g. auditing of urban transport systems to evaluate the performance of passenger and freight transport, and to identify the main bottlenecks.

- Developing and setting up urban mobility management systems as part of low-carbon transport strategies.

- Optimising urban logistics, e.g. improving transport flow management and monitoring.

- Piloting the use of hybrid or alternative fuel such as biogas or other environmentally friendly energy.

- Piloting the use of vehicle fleets with higher energy efficiency and less emission in urban areas, e.g. promoting an attractive market for clean and energy-efficient road transport vehicles through, e.g. introducing Green Public Procurement schemes.

- Setting up mobility management in cities managing the demand for car use by changing attitudes and travel plans.

- Developing intelligent transport systems for urban mobility.

Main target groups:

- City administrations and their subordinate organisations
- Public and private infrastructure providers and operators
- Public authorities/institutions responsible for planning
- Private and public logistic operators of all transport modes
- Ports located in cities or urban agglomeration
- Research organisations, universities
- Transport users and cargo owners
- Associations of cities and municipalities, international organisations
- Environmental protection agencies and environmental associations
- Representatives of civil society

Geographical coverage:

BSR cities and towns and their agglomeration areas.

2.A.6.2. Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Guiding principles for the selection of operations are equal for all priorities and are summarised in section 5.1.	

2.A.6.3. Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Planned use of financial instruments	-
Not applicable	

2.A.6.4. Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
No major projects with a budget above 50 MEUR ERDF will be supported by the Programme.	

2.A.6.5. Output indicators (by investment priority)

(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 5: Common and programme specific output indicators

Investment priority 7b: Enhancing regional mobility by connecting secondary and tertiary nodes to TEN-T infrastructure, including multimodal nodes

Investment priority 7c: Developing and improving environmentally-friendly, including low-noise, and low-carbon transport systems including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility

ID	Indicator *(name of indicator)*	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1	No. of NGOs involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
2	No. of research organisations involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
3	No. of SMEs involved	Number	To be defined based on the volume of the	Project progress reports	To be defined

			Programme funding		
4	No. of large enterprises involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
5	No. of local public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
6	No. of regional public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
7	No. of national public authorities/institutions involved	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
8	No. of new to the market products developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
9	No. of new solutions/measures developed	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

10	No. of pilot activities/demonstration actions	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
11	Amount of investments realised with the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined
12	Amount of investments realised with other than the Programme funding	Number	To be defined based on the volume of the Programme funding	Project progress reports	To be defined

2.A.1 Priority axis 4 Institutional capacity for macro-regional cooperation

2.A.2. Justification for the establishment of a priority axis covering more than one thematic objective (where applicable)

(Reference: Article 8(1) of Regulation (EU) No 1299/2013)

Not applicable

ID of the priority axis	**Priority 4**
Title of the priority axis	**Institutional capacity for macro-regional cooperation**

☐ The entire priority axis will be implemented solely through financial instruments	
☐ The entire priority axis will be implemented solely though financial instruments set up at Union level	
☐ The entire priority axis will be implemented through community-led local development	

2.A.3 Fund and calculation basis for Union support

(repeated for each fund under the priority axis)

Fund	*Union funds (ERDF and ENI)*
Calculation basis (public or total)	*Total*

2.A.4 Investment priority (repeated for each investment priority under the priority axis)

(Reference: point (b)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	*Development and coordination of macro-regional and sea-basin strategies*

2.A.5. Specific objectives corresponding to the investment priority and expected results

(repeated for each specific objective under the investment priority)

(Reference: points (b)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	*Development and coordination of macro-regional and sea-basin strategies*
Specific objective	**4.1 'Seed Money':** To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with the partner countries.
The results that the Member States seek to achieve with Union support	Increased capacity of project ideas owners (public authorities, research organisations, NGOs, SMEs) to initiate complex projects with strategic impact, and to build up partnerships at transnational level

ID	*Development and coordination of macro-regional and sea-basin strategies*
Specific objective	**4.2 'Coordination of macro-regional cooperation':** To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the partner countries.
The results, which the Member States seek to achieve with EU support	Increased capacity of public administrations, pan-Baltic organisations and transnational working groups to implement and follow up targets of the Priority Areas/Horizontal Actions of the EUSBSR and to realise common priorities with the partner countries.

Table 3: Programme specific result indicators (by specific objective)

(Reference: point (b)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Specific objective 4.1 'Seed money'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[62]	Source of data	Frequency of reporting
1	Amount of funding for projects implementing the EUSBSR	Euro	To be taken from the EUSBSR implementation report	2013 (tbc.)	Target value for the quantitative indictor will be defined based on the volume of the Programme funding.	PACs and HALs	Annual reporting on achievement of the target, starting from 2016, reporting of the evaluation outcome in 2023
2	Number of organisations from the partner countries working on joint projects	Number of organisations	To be obtained from PACs/HALs	2013	Target value for the quantitative indictor will be defined based on the volume of the Programme funding.	PACs and HALs	Annual reporting on the achievement of the target, starting from 2016 Reporting of the evaluation outcome in 2023

[62]Target values may be qualitative or quantitative.

Specific objective 4.2 'Coordination of macro-regional cooperation'

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023)[63]	Source of data	Frequency of reporting
1	Percentage of EUSBSR priority areas and horizontal actions reaching the identified targets	Number of EUSBSR priority areas and horizontal actions in relation to their total number.	To be obtained from the PACs/HALs/COM	2013	80%	Questionnaire to the PACs and HALs Evaluation reports of the EUSBSR	Annual reporting on achievement of the target, starting from 2016, reporting of the evaluation outcome in 2023
2	Percentage of EUSBSR priority areas and horizontal actions facilitating the implementation of joint priorities with the partner countries	Number of EUSBSR priority areas and horizontal actions in relation to their total number.	To be obtained from the PACs/HALs/COM	2013	60%	Questionnaire to the PACs and HALs Evaluation reports of the EUSBSR	Annual reporting on the achievement of the target, starting from 2016, reporting of the evaluation outcome in 2023

[63]Target values may be qualitative or quantitative.

2.A.6. Actions to be supported under the investment priority (by investment priority)

2.A.6.1. A description of the type and examples of actions to be supported and their expected contribution to the specific objectives, including, where appropriate, identification of the main target groups, specific territories targeted and types of beneficiaries

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment Priority	Development and coordination of macro-regional and sea-basin strategies

Specific objective 4.1 'Seed Money'

To increase capacity for transnational cooperation implementing the EU Strategy for the Baltic Sea Region and working on common priorities with the partner countries:

The EU and partner countries located in the Baltic Sea Region often face challenges which require joint solutions and coordinated responses. The work towards achievement of common goals can be supported through the implementation of transnational cooperation projects among EU and partner countries in the Baltic Sea Region.

However, the experience of the implementation of the EU Strategy for the Baltic Sea (EUSBSR) has shown that the mobilisation of funding sources and preparation and governance of complex projects in a transnational environment is challenging. The initiation of complex projects with strategic impact is often time demanding and requires financial resources, which project idea owners often lack. Furthermore, funding during the preparation stage is considered as vital to project proposals that include investment components.

For the aforementioned reasons the EU Member States of the Baltic Sea Region and the European Commission decided to establish a Seed Money Facility enabling the preparation of project applications in line with the Action Plan to the EUSBSR. In 2013-2014 the Seed Money Facility is being managed by Investitionsbank Schleswig-Holstein. During this phase the funding is being granted to more than 60 preparatory projects.

The Programme continues with the seed money support. The funded seed money projects are expected to prepare project proposals with strategic importance to one of the priority areas or horizontal actions of the EU Strategy for the Baltic Sea Region, preferably linked to joint priorities with the partner countries. The projects will be prepared to apply for funding from any EU, national or other funding sources. Regardless of the thematic focus of the Baltic Sea Region Programme, seed money projects can address any topic that is listed in the Action Plan of the EU Strategy.

Example actions:

- Preparation of projects under the priority areas and horizontal actions of the EUSBSR Strategy (including building partnerships, planning the activities and outputs, preparing an indicative budget and searching for funding possibilities, pre-investment studies), preferably link to joint priorities with the partner countries.

Main target groups:

- National, regional and local public authorities
- Research organisations

- NGOs
- SMEs

Specific objective 4.2 'Coordination of macro-regional cooperation'

Coordination of macro-regional cooperation: To increase capacity of public administrations and pan-Baltic organisations for transnational coordination in implementing the EU Strategy for the Baltic Sea Region and facilitating the implementation of common priorities with the partner countries.

The Priority Area Coordinators (PAC) and Horizontal Action Leaders (HAL) are given a central role in coordinating the priority areas and horizontal actions of the EUSBSR Action Plan and for ensuring the timely delivery of results of the projects in their area. The PACs and HALs are expected to facilitate the involvement and cooperation with relevant stakeholders from the entire macro-region including the partner countries. Their tasks include the facilitation of policy discussions in the Baltic Sea Region regarding the priority area concerned as well as the facilitation of development and implementation of actions and flagship projects. This includes implementation of common priorities with the partner countries in close cooperation with relevant actors from these countries. In order to ensure communication and visibility of the priority area the PACs and HALs are also expected to convey relevant results and recommendations of flagship projects to the policy level.

The tasks of PACs and HALs are carried out mainly by national ministries or agencies. They often reach beyond regular tasks of the staff in these organisations. The PACs and HALs need additional resources in particular for frequent communication with project leaders and stakeholders in the entire Baltic Sea Region area.

Within this specific objective the Programme provides support to PACs and HALs in order to carry out additional tasks related to their role as a coordinator/leader set in the EUSBS Strategy as well as in relation to the implementation of common priorities with the partner countries. The Programme does not fund all the costs of an organisation deriving from its role as a PAC/HAL, including regular staff costs, but rather additional costs for selected activities (e.g. travel, meetings, events, communication material, expert studies). Staff costs of a person working as/for the PAC/HAL can be funded if the tasks are clearly related to specific activities (e.g. preparation of specified meetings, coordination of expert inputs for a study) presented in a work plan for implementation of the PA/HA. In addition, the Programme provides support to relevant institutions in the partner countries for selected coordination activities in order to implement joint priorities with the EUSBSR.

Example actions:

- Facilitating policy discussions in the Baltic Sea Region regarding the Priority Area/Horizontal Action concerned.
- Facilitating policy discussions regarding the synergies and common approaches between the EU and partner countries (e.g. between the EUSBSR and the North-West Strategy of Russia) in the region.
- Facilitating development and implementation of actions and flagship projects defined under the Priority Area/Horizontal Action.

- Conveying relevant results and recommendations of on-going and completed flagship projects to the policy level (capitalisation of projects under the Priority Area/Horizontal Action).

- Ensuring communication and visibility of the Priority Area/Horizontal Action as well as synergies with common priorities of the partner countries.

- Maintaining a dialogue with bodies in charge of implementation of programmes/financial instruments on alignment of funding for implementation of the Priority Area/Horizontal Action and flagship projects.

- Intensifying links of the EUSBSR with strategies covering the partner countries and facilitating development of joint actions in the fields of common interest.

Main target groups:

- Priority Area Coordinators and Horizontal Action Leaders of the EUSBSR

- International bodies as well as national ministries and agencies acting as coordinators between the priorities of the partner countries and the EUSBSR

Geographical coverage:

The whole territory of the Baltic Sea Region.

2.A.6.2. Guiding principles for the selection of operations

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Guiding principles for the selection of operations are equal for all priorities and are summarised in section 5.1.	

2.A.6.3. Planned use of financial instruments (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
Planned use of financial instruments	-
Not applicable	

2.A.6.4. Planned use of major projects (where appropriate)

(Reference: point (b)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

Investment priority	-
No major projects with a budget above 50 MEUR ERDF will be supported by the Programme.	

2.A.6.5. Output indicators (by investment priority)

(Reference: point (b)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 5: Common and programme specific output indicators

ID	Indicator *(name of indicator)*	Measurement unit	Target value (2023)	Source of data	Frequency of reporting
1	No of project plans for a main project including information on possible financial sources	Number of project plans	To be defined based on the volume of the Programme funding	Final reports of the seed money projects	To be defined
2	No of project plans contributing to joint priorities with the partner countries	Number of project plans	To be defined based on the volume of the Programme funding	Final reports of the seed money projects	To be defined
3	No of transnational meetings held to facilitate implementation of the EUBSR targets	Number of meetings implemented	To be defined based on the volume of the Programme funding	Progress reports	To be defined
4	No of transnational meetings held to facilitate joint work	Number of transnational meetings	To be defined based on	Progress reports	To be defined

	on common priorities with the partner countries	implemented	the volume of the Programme funding		
5	No of strategic policy documents supporting the implementation of the EUBSR targets and/or common priorities with the partner countries.	Number of documents The documents can be studies, evaluation reports, action plans, recommendations, guidelines, proposals for amendments to legislation.	To be defined based on the volume of the Programme	Progress reports	To be defined

2.A.7. Performance framework

(Reference: point (b)(v) of Article 8(2) of Regulation (EU) No 1299/2013 and Annex II of Regulation (EU) No 1303/2013)

Table 5: Performance framework of the priority axis (*will be completed when financial allocation to the Programme is decided*)

Priority axis	**Indicator type** **(Key implementation step, financial, output or, where appropriate, result indicator)**	**ID**	***Indicator or key implementation step***	**Measurement unit, where appropriate**	**Milestone for 2018**	**Final target (2023)**	**Source of data**	**Explanation of relevance of indicator, where appropriate**

Additional qualitative information on the establishment the performance framework

(optional)

2.A.8. Categories of intervention

(Reference: point (b)(vii) of Article 8(2) of Regulation (EU) No 1299/2013)

Categories of intervention corresponding to the content of the priority axis, based on a nomenclature adopted by the Commission, and indicative breakdown of Union support

Tables 6-9: Categories of intervention

(*will be completed when financial allocation to the Programme is decided*)

Table 6: Dimension 1 Intervention field		
Priority axis	**Code**	**Amount (€)**

Table 7: Dimension 2 Form of finance		
Priority axis	**Code**	**Amount (€)**

Table 8: Dimension 3 Territory		
Priority axis	**Code**	**Amount (€)**

Table 9: Dimension 6 Territorial delivery mechanisms		
Priority axis	**Code**	**Amount (€)**

2.A.9. A summary of the planned use of technical assistance including, where necessary, actions to reinforce the administrative capacity of authorities involved in the management and control of the programmes and beneficiaries and, where necessary, actions for to enhance the administrative capacity of relevant partners to participate in the implementation of programmes (where appropriate)

(Reference: point (b)(vi) of Article 8(2) of Regulation (EU) No 1299/2013)

Priority axis	

2.B. A description of the priority axes for technical assistance

(Reference: point (c) of Article 8(2) of Regulation (EU) No 1299/2013)

2.B.1 Priority axis

ID	
Title	***Priority 5 'Technical Assistance'***

2.B.2 Fund and calculation basis for Union support (repeated for each fund under the priority axis)

Fund	*Union funds (ERDF and ENI)*
Calculation Basis	*Total*

2.B.3. Specific objectives and expected results

(Reference: points (c)(i) and (ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Specific objective (repeated for each specific objective)

ID	
Specific objective	**5.1 'Technical Assistance'** To provide sufficient financing to ensure a professional and efficient programme management
The results that the Member States seek to achieve with Union support [64]	To finance the programme management costs incurred between 1 January 2014 and 31 December 2023.

[64] Required where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million.

2.B.4. Result indicators[65]

Table 10: Programme-specific result indicators (by specific objective)

(Reference: point (c)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value[66] (2022)	Source of data	Frequency of reporting

2.B.5. Actions to be supported and their expected contribution to the specific objectives (by priority axis)

(Reference: point (c)(iii) of Article 8(2) of Regulation (EU) No 1299/2013)

2.B.5.1. Description of actions to be supported and their expected contribution to the specific objectives

(Reference: point (c)(iii) of Article 8(2) of Regulation (EU) No 1299/2013

Priority axis	**5.1 'Technical Assistance'**

The programme management costs will comprise preparatory, management, monitoring, evaluation, information and control activities of the Operational Programme, as well as financing activities (if necessary) to reinforce the administrative capacity for implementing the funds. This includes activities such as meetings of the Programme's Monitoring Committee and activities of the Managing Authority, Joint Secretariat and support to the Audit Authority. The majority of Technical Assistance funds will be used to finance the operation of the Joint Secretariat carrying out the main tasks related to implementing the Programme. Technical Assistance will also cover costs related to information activities and dissemination of results. Furthermore, it will also cover other costs such as evaluation and installation of computerised systems for management, monitoring and evaluation.

In accordance with Article 17 of Regulation (EU) No 1299/2013, the limit for Technical Assistance is set at 6% of the total amount allocated under the European Territorial Co-operation objective.

[65] Required where objectively justified by the given the content of the actions and where the Union support to technical assistance in the cooperation programme exceeds EUR 15 million.

[66] The target values can be qualitative or quantitative.

2.B.5.2 Output indicators expected to contribute to results (by priority axis)

(Reference: point (c)(iv) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 11: Output indicators

ID	Indicator	Measurement unit	Target value (2023) (optional)	Source of data

2.B.6. Categories of intervention

(Reference: point (c)(v) of Article 8(2) of Regulation (EU) No 1299/2013**)**

Corresponding categories of intervention based on a nomenclature adopted by the Commission, and an indicative breakdown of Union support.

Tables 12-14: Categories of intervention

Table 12: Dimension 1 Intervention field

Priority axis	Code	Amount (€)

Table 13: Dimension 2 Form of finance

Priority axis	Code	Amount (€)

Table 14: Dimension 3 Territory

Priority axis	Code	Amount (€)

SECTION 3 FINANCING PLAN

(Reference: point (d) of Article 8(2) of Regulation (EU) No 1299/2013)

3.1 Financial appropriation from the ERDF (in EUR)

(Reference: point (d)(i) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 15

Fund	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**Total**
ERDF								
IPA amounts (where applicable)								
ENI amounts (where applicable)								
Total								

3.2.A Total financial appropriation from the ERDF and national co-financing (in EUR)

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

(*will be completed when financial allocation to the Programme is decided*)

1. *The financial table sets out the financial plan of the cooperation programme by priority axis. Where outermost regions' programmes combine cross-border and transnational allocations, separate priority axes will be set out for each of these.*
2. *The financial table shall show for information purposes, any contribution from third countries participating in the cooperation programme (other than contributions from IPA and ENI)*
3. *The EIB[67] contribution is presented at the level of the priority axis.*

Table 16: Financing plan

	Fund	Basis for calculation of Union support (Total eligible cost or public eligible cost)	Union support (a)	National counterpart (b) = (c) + (d))	Indicative breakdown of the national counterpart		Total funding (e) = (a) + (b) (2)	Co-financing rate (f) = (a)/(e)	For information	
					National Public funding (c)	National private funding (1) (d)			Contributions from third countries	EIB contributions
Priority axis 1	ERDF (possibly incl. amounts transferred from IPA and ENI)[68]									
	IPA									
	ENI									

[67] European Investment Bank

[68] Presentation of amounts transferred from ENI and IPA depends on management option chosen.

Priority axis N	ERDF (possibly incl. amounts transferred from IPA and ENI)									
	IPA									
	ENI									
Total	ERDF									
	IPA									
	ENI									
Total	Total all Funds									

(1) To be completed only when priority axes are expressed in total costs.

(2) This rate may be rounded to the nearest whole number in the table. The precise rate used to reimburse payments is the ratio (f).

3.2.B. Breakdown by priority axis and thematic objective

(Reference: point (d)(ii) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 17

Priority axis	Thematic objective	Union support	National counterpart	Total funding
TOTAL				

Table 18: Indicative amount of support to be used for climate change objectives

(Reference: Article 27(5) of Regulation (EU) No 1303/2013)[69]

Priority axis	Indicative amount of support to be used for climate change objectives (€)	Proportion of the total allocation to the programme (%)
Total		

69 This table is generated automatically on the basis of tables on categories of intervention under each priority axis. .

SECTION 4. INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT

(Reference: Article 8(3) of Regulation (EU) No 1299/2013)

Description of the integrated approach to territorial development, taking into account the content and objectives of the cooperation programme, including in relation to regions and areas referred to in Article 174(3) TFEU, having regard to the Partnership Agreements of the participating Member States, and showing how it contributes to the accomplishment of the programme objectives and expected results

Territorial development refers to a planning and development approach which in various fields (e.g. economy, social planning) enforces territorial aspects, precise attributes of specific functional areas such as urban, rural areas, border, peripheral, or sparsely populated territories. Moreover, the territorial approach takes into consideration territorial strengths and potentials of regions as well as their interrelations.

The Programme applies the integrated approach to territorial development by building on territorial assets of the Baltic Sea Region (BSR). This means that the project proposals should, as far as possible, address territorial challenges, consider relevant territorial development policies as well as regional conditions of envisaged actions and regard their implications and impacts on other sectors in the given territories. As far as possible, relevant actors from other sectors and various administrative levels should be involved directly or in a consultative way. The Programme also targets areas with specific geographic challenges, e.g. islands, areas with severe climate, geographically remote and border areas.

The EU Strategy for the Baltic Sea Region largely functions as a mobiliser of common awareness about challenges on the macro-regional level. It provides the basis to the thematic priorities of the Programme. While building on territorial assets and addressing territorial challenges, the Programme, in its approach, also integrates a number of cross-cutting issues identified in the Strategy e.g. sustainable development, climate change, multi-level governance and BSR common identity.

As well as the EU Strategy, there are regional development strategies of the partner countries that address similar issues and contribute to defining the scope of the thematic priorities.

The Baltic Sea presents itself as a joint environmental and economic asset. It provides potential to develop sustainable solutions based on available water management expertise, and thus helps the BSR become a leading region in the field. In addition, the Programme contributes to sustainable development by further advancing maritime spatial planning. Moreover, blue growth opens opportunities to novel and developing sectors that are making use of sea resources: inter alia wave energy, offshore wind-energy, aquaculture, and maritime and coastal tourism.

The Baltic Sea entails transnational challenges as well, e.g. in relation to environmental protection. To tackle them, joint planning and joint actions on transnational level are often needed. The Programme takes into account challenges resulting from climate change, especially those harming coastal areas and islands. In its approach the

Programme seeks to provide transnational solutions to environmental protection, e.g. to prevent and alleviate environmental damage caused by increasingly intensifying transport flows at sea.

Characterised by long distances, difficult geographic and climate conditions, and low population density, the BSR features the least accessible areas in the EU. Moreover, TEN-T networks are insufficiently connected and integrated within the region, as well as with its secondary and tertiary networks. Therefore, the Programme positions these territorial concerns on a more prominent level.

Furthermore, the Programme is to contribute to the Europe 2020 Strategy for growth. Based on its diversity in terms of territory and economic development, the BSR presents a strong potential to foster place-based growth. Thus, to unlock new growth opportunities the Programme promotes smart specialisation as an instrument applied to mobilise internal assets and resources in fields where a country or a region has a specialisation. Moreover, to foster growth, it is equally important to build links with other regions. Therefore, in order to ensure that common assets in the BSR are used in a coordinated and sustainable way the Programme takes a transnational approach in supporting smart specialisation through methods such as peer learning.

4.1. Community-led local development

Approach to the use of community-led local development instruments and principles for identifying the areas where they will be implemented (where appropriate)

(Reference: point (a) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

4.2. Sustainable urban development

Principles for identifying the urban areas where integrated actions for sustainable urban development are to be implemented and the indicative allocation of the ERDF support for these actions (where appropriate)

(Reference: point (b) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

Table 19: Sustainable urban integrated actions – indicative amounts of ERDF support

Fund	Indicative amount of ERDF support (in EUR)
ERDF	

4.3. Integrated Territorial Investment (ITI)

Approach to the use of Integrated Territorial Investment (ITI) (as defined in Article 36 of Regulation (EU) No 1303/2013) other than in cases covered by 4.2, and their indicative financial allocation from each priority axis (where appropriate)

(Reference: point (c) of Article 8(3) of Regulation (EU) No 1299/2013)

Not applicable

Table 20: Indicative financial allocation to ITI other than those mentioned under point 4.2 (aggregate amount)

Priority axis	Indicative financial allocation (Union support) (€)
TOTAL	

4.4 Contribution of planned interventions towards macro-regional and sea basin strategies, subject to the needs of the programme area as identified by the relevant Member States and taking into account, where applicable, strategically important projects identified in those strategies (where appropriate, where Member States and regions participate in macro-regional and sea basin strategies)

(Reference: point (d) of Article 8(3) of Regulation (EU) No 1299/2013)

The EU Strategy for the Baltic Sea Region (EUSBSR) and its Action Plan had an important role in the process of identifying the needs for transnational cooperation in the Baltic Sea Region Programme. The Background Analysis of the Strategy was one of the core references in the SWOT analysis for the priority axes. The priority area coordinators, horizontal action leaders and national contact points of the EUSBSR were part of the Reference Group in the programming. Furthermore, some of the priority area coordinators and horizontal action leaders took an active role in the Thematic Programming Workshops. Some priority area coordinators provided contributions to the programming through the members of the Joint Programming Committee.

The experience and outcomes of the EUSBSR flagship projects funded under the Baltic Sea Region Programme 2007-2013 had a major impact to the set expectations towards the specific objectives of the Programme in the period 2014-2023. The Baltic Sea Region Programme 2007-2013 funded 48 projects that contributed to the EUSBSR priority areas and horizontal actions. Twenty five out of the 48 projects were identified as flagship projects of the EUSBSR. The Baltic Sea Region Programme 2014-2020 will use the expertise and experience gathered under the EUSBSR priority areas and horizontal actions in its supporting measures for project development.

For example, the Baltic Sea Region Programme projects SienceLink and StarDust were implemented under the EUSBSR priority area Inno. These projects show directions for the next steps in transnational cooperation under Priority 1 'Capacity for innovation', in particular regarding transnational links between research infrastructures as well as in smart specialisation.

The specific objective 'Clear Waters' under Priority 2 'Efficient management of natural resources' is closely linked to the EUSBSR priority areas Agri, Nutri and Hazards. The Baltic Sea Region Programme project cluster "Baltic Impulse" involved several flagship projects from these priority areas. The cluster demonstrated ways to build platforms for cross-sectoral dialogue needed in order to improve the quality of the Baltic Sea Region waters. In addition, for example, the flagship project COHIBA formed a basis to develop innovative management of hazardous substances. The specific objective "Resource efficient blue growth" also has several links with the EUSBSR and may draw from the conclusions of several flagship projects. The projects Aquabest and Aquafima under the EUSBSR priority area Agri demonstrate solutions for sustainable aquaculture. The Submariner project was the basis for the Submariner Network under priority area Inno developing actions and initiatives for sustainable and innovative uses of Baltic marine resources. The projects developing maritime spatial planning, e.g. PartiSEApate under the EUSBSR horizontal action Spatial Planning, support coordinated approaches for sustainable use of marine resources.

Priority 3 'Sustainable transport' is contributing to the EUSBSR priority area Transport. The Baltic Sea Region Programme 2007-2013 project cluster "Sustainable, multimodal

and green transport corridors" demonstrated several ways to facilitate efficient and sustainable Baltic passenger and freight transport solutions that is one of the actions under the priority area Transport. The cooperation projects under the specific objective "Interoperability of transport modes" continue this work. In addition there are close links between the specific objectives 'Maritime safety' and 'Environmentally friendly shipping' and the EUSBSR priority areas Ship and Safe. The flagship projects BSR Innoship and CleanShip show the way to continue transnational cooperation tackling the challenges to make shipping more environmentally friendly. The flagship project EfficienSea developed e-navigation services. E-navigation continues to be a topic both in the Baltic Sea Region Programme as well as in the EUSBSR.

In addition to the close thematic links between the Programme and the EUSBSR, the Programme offers specific measures to support the EUSBSR implementation. Within Priority 4 'Institutional Capacity for Macro-regional Cooperation' seed money is offered for preparation of projects under the priority areas and horizontal actions of the Strategy. The priority area coordinators and horizontal action leaders are involved in the selection of seed money projects. Under Priority 4, funding is offered also to the priority area coordinators and horizontal action leaders for costs of selected activities deriving from their role as a priority area coordinator or a horizontal action leader.

The Programme also addresses the need for closer cooperation between the EUSBSR and the partner countries, in particular the link to the North-West Strategy of Russia. The Programme enables practical cooperation at project level on issues of importance for both, EUSBSR and the North-West Strategy of Russia. Under Priority 4 seed money projects are encouraged to find links between the EUSBSR and other relevant strategies in the Baltic Sea Region area. Furthermore, coordination with actors responsible for the North-West Strategy of Russia belongs to the type of activities that can be funded under the Facility to support priority area coordinators and horizontal action leaders.

Moreover, in line with its integrated approach, the Programme contributes to the aims of the horizontal actions in the EUSBSR. Each project funded under the priority axes 1-3 needs to select at least one of the following cross-cutting issues in its approach: multi-level governance, BSR common identity, spatial planning/maritime spatial planning, sustainable development, climate change or demographic change.

Further operational and technical support to the EUSBSR is still subject for discussion.

SECTION 5. IMPLEMENTING PROVISIONS FOR THE COOPERATION PROGRAMME

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

5.1 Relevant authorities and bodies

(Reference: Article 8(4) of Regulation (EU) No 1299/2013)

Table 21: Programme authorities

(Reference: point (a)(i) of Article 8(4) of Regulation (EU) No 1299/2013)

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
Managing authority	Investitionsbank Schleswig-Holstein (IB.SH) European Territorial Cooperation Unit Grubenstraße 20, 18055 Rostock, Germany	Managing Director: Erk Westermann-Lammers Director of European Territorial Cooperation Unit: Susanne Scherrer
Certifying authority, where applicable	n. a.	n. a.
Audit authority	n. n.	n. n.

Table 22: The body to which payments will be made by the Commission is:

(Reference: point (b) of Article 8(4) of Regulation (EU) No 1299/2013)

☒ the managing authority	
☐ the certifying authority	

Table 23: Body or bodies carrying out control and audit tasks

(Reference: points (a)(ii) and (iii) of Article 8(4) of Regulation (EU) No 1299/2013)

Authority/body	Name of authority/body and department or unit	Head of authority/body (position or post)
Body or bodies designated to carry out control tasks	See Annex 11.4	See Annex 11.4
Body or bodies designated to be responsible for carrying out audit tasks	See Annex 11.4	See Annex 11.4

5.1.2 Procedure for setting up the joint secretariat

(Reference: point (a)(iv) of Article 8(4) of Regulation (EU) No 1299/2013)

The implementation arrangements for the Joint Secretariat (further referred to as "JS") will essentially continue from the 2007-2013 programming period.

The JS will be set-up by the MA and therefore the main office of the JS will be operated by IB.SH. The tasks of the MA and the JS will be carried out by IB.SH's department European Territorial Cooperation (ETC).

The main office of the JS will be located in Rostock/Germany while, in consultation with IB.SH, a branch office of the JS will be established in Riga/Latvia.

The Riga branch office of the JS will be operated by the State Regional Development Agency (SRDA). Details on the operation of the branch office will be laid down in an agreement between IB.SH and SRDA.

The JS will be one joint functional unit led by one director. On a day to day basis staff of the JS Riga branch office will closely cooperate with colleagues in the Rostock office.

The JS will have international staff, preferably from all the countries participating in the Programme. Staff of the JS in Rostock, Germany, will be employed by the IB.SH. Staff of the JS's branch office in Riga, Latvia, will be employed by the SRDA, in consultation with the IB.SH.

The JS will become fully operational as soon as the OP is approved by the European Commission and the Technical Assistance (TA) budget has been approved by the MC. Until then all preparatory activities will be financed from the predecessor programme.

5.1.3 Summary description of the management and control arrangements[70]

(Reference: point (a)(v) of Article 8(4) of Regulation (EU) No 1299/2013)

Joint implementation structure and division of tasks between programme bodies

The Baltic Sea Region Programme 2014-2020 will be implemented through the following programme bodies: a Managing Authority (MA), a Joint Secretariat (JS) set-up by the MA, a Monitoring Committee (MC) and an Audit Authority, the latter assisted by a Group of Auditors

The MA will carry out the functions laid down in Article 125 of Regulation (EU) No 1303/2013 and Article 23 of Regulation (EU) No 1299/2013. Based on Article 21(1) of Regulation (EU) No 1299/2013, the MA will also be responsible for carrying out the functions of the Certifying Authority as defined in Article 126 of Regulation (EU) No 1303/2013 and Article 21(2) of Regulation (EU) No 1299/2013.

[70] Specific financial and implementation provisions concerning the participation of Russia and Belarus in the Programme will be ruled in the respective Financing Agreements between the European Commission and the Governments of both of the countries, co-signed by Germany, as country hosting the Managing Authority.

The tasks of the MA and the JS will be laid down in Annual Work Plans that will be approved by the MC. Tasks of staff members will be laid down in individual job descriptions. The director of the MA and the JS will be located in Rostock; he/she will be equally responsible for the MA and the JS.

In the Programme, the JS will carry out the majority of day-to-day tasks related to the overall Programme implementation, in particular the tasks laid down in Article 23(2) of Regulation (EU) No 1299/2013. The JS will be the central contact point for the public interested in the Programme, potential beneficiaries and selected/running operations.

The counterparts for the MA with the coordination role on the territory of the participating countries will, in the first instance, be the MC members representing the national authorities responsible for the Programme. Therefore, these MC members and their deputies respectively, will be the central contact persons for all enquiries, reports etc. related to the implementation of the Programme in the participating countries.

In accordance with Article 49 of Regulation (EU) No 1303/2013 the MC will review the implementation of the Programme and progress towards achieving its objectives, fulfil the functions laid down in Article 110 of Regulation (EU) No 1303/2013, select operations as laid down in Article 12 of Regulation (EU) No 1299/2013 and approve the Programme Manual. MC members' responsibilities, rules on the MC members' impartiality and rules on the selection of operations etc. will be set out in writing in the Rules of Procedure of the MC. These Rules of Procedures will be adopted at the first MC meeting.

The participating countries may decide to establish National Contact Points to inform the beneficiaries about the Programme.

For more information on the involvement of participating countries in the Programme implementation reference is made to Section 5.2 of this Operational Programme.

Process for project assessment, approval and contracting

Submission of project applications will be possible following calls for proposals. Details of the application, assessment and selection procedure will be set out in the Programme Manual.

The JS will organise and guarantee the impartial assessment of all applications based on the eligibility and quality criteria approved by the MC. The applications submitted will be made available to the MC members, including the assessment results followed by a proposal for decision making.

The MC will undertake the assessment of project applications including checking the eligibility and, if need be, including national approval of beneficiaries located on each participating country's territory prior to the project approval by the MC.

The MC will make funding decisions according to Article 12(1) of Regulation (EU) No 1299/2013. Detailed rules on decision making will be laid down in the MC Rules of Procedure. It will be ensured that any state aid that might be granted under this Programme is in conformity with the state aid rules of the European Union. State aid rules to be applied as well as the method of the application in the Baltic Sea Region Programme will be described in the Programme Manual.

Project lead applicants will be informed in writing by the JS about the outcome of the MC decision making and also about reasons why an application was either ineligible or not approved.

Following the MC decision to approve an application for funding, the MA will conclude a Grant Contract with the lead beneficiary of an approved operation. A model contract based on Article 12(5) of Regulation (EU) No 1299/2013 will be presented to the MC or a task force of the MC before use. Grant Contracts will be signed by the MA or, on behalf of the MA, by staff members of the JS employed by the IB.SH. Funds will be granted to operations in Euro (€) only.

Arrangements for Management Verifications

In general the MA will not carry out verifications under Article 125(4)(a) of Regulation (EU) No 1303/2013 throughout the whole programme area. Therefore, verifications will be carried out by first level controllers according to Article 23(4) of Regulation (EU) No 1299/2013 and the MA will satisfy itself that expenditure of each beneficiary participating in an operation has been verified by a first level controller.

Each participating country will designate the first level controller(s) responsible for carrying out the verifications in relation to all beneficiaries on its territory. There will be two main first level control systems (centralised and decentralised) applied by the participating countries, which will be further explained in the Programme Manual. The method of designation of a controller will be decided upon by each participating country separately and may vary between them according to the first level control system chosen.

To ensure coherence among systems and controllers from all participating countries, each participating country will submit to the MA/JS a detailed description of the first level control system's set up using the template provided by the MA/JS. Changes in the respective system will result in an updated description which will be forwarded to the MA/JS and the Audit Authority without delay.

In addition, the day-to-day business of the controllers will be supported by the MA/JS, primarily by providing essential information about the operations and standard tools for verification of expenditure. These tools, harmonised with other programmes, shall be used as standard requirements across all participating countries to ensure coherence among controllers and transparency of control work performed.

In the first instance each participating country will, apart from the designation of the controllers, also be responsible for their training on EU, Programme and national requirements as well as for the quality check of the control work. The MA/JS will also carry out training for first level controllers on Programme level.

The controllers must in all cases:

- be independent from the controlled beneficiary;
- hold the qualifications set by the participating countries;
- fulfil the requirements for the first level controls laid down in the EU regulatory framework and in the national legal framework.

The participating countries will ensure that expenditure can be verified by the controllers within a period of two months from the submission of the documents by the beneficiary. This will allow for timely submission of certified project progress reports by the lead partner within a three month period set out in the programme. This submission in due time will be the basis for timely re-imbursement of project costs.

With regard to TA, each organisation spending TA will be responsible for ensuring that TA expenditure will be verified and certified in line with the corresponding national FLC system (depending on the geographical location of the organisation).

Organisation of audits

The Audit Authority will carry out the functions provided for in Article 127 of Regulation (EU) No 1303/2013. Applying Article 25(2) of Regulation (EU) No 1299/2013, the Audit Authority will be assisted by a Group of Auditors comprising a representative of each participating country.

These representatives will carry out the functions stipulated in Article 25(2) of Regulation (EU) No 1299/2013 and will have to be entitled to take decisions in the Group of Auditors on behalf of the respective participating country (bodies designated to be responsible for carrying out audit tasks are listed in Annex 11.4.). They will be from a unit independent from the MC members, the controllers designated according to Article 23(4) of Regulation (EU) No 1299/2013and any project's activities and finances.

The Group of Auditors will be set up at the latest within three months of the decision approving the Programme. It will draw up and approve its own Rules of Procedure at its first meeting and it will be chaired by the Audit Authority.

Arrangements in case of implementing difficulties

In case of implementation difficulties the participating country/countries concerned will support the MA/JS to clarify the particular case(s) and will help to prevent and lift potential sanctions imposed to the Programme, to a lead partner or to a project partner. Sanctions can for example be imposed by the European Commission, a second level auditor, the AA or the MA/JS. Details will be specified in the "Agreement on the Management, Financial and Control Arrangements between countries participating in the Baltic Sea Region Programme 2014-2020 and the IB.SH" and, where applicable, in the Programme Manual or the Grant Contract.

In general, complaints by beneficiaries will be possible and will be examined and answered by the MA/JS. If needed, complaints will be examined and answered jointly with the Chair of the MC. The MC may also set up a task force or a sub-committee to deal with complaints. The term "complaint" will apply to project assessment and selection/rejection, audit and control as well as to project implementation and monitoring. The complaint procedures will be described in detail in the Programme Manual.

For arrangements in case of implementing difficulties related to irregularities and financial correction reference is made to Section 5.1.4 of this Operational Programme.

5.1.4 Apportionment of liabilities among participating Member States in case of financial corrections imposed by the managing authority or the Commission

(Reference: point (a)(vi) of Article 8(4) of Regulation (EU) No 1299/2013)

Irregularities and apportionment of liabilities

The arrangements related to irregularities and cost recovery will essentially continue from the 2007-2013 programming period.

If MA/JS suspects or was informed about an irregular use of granted funds it shall imply follow-up actions, such as suspending the reimbursement of the financing related to the lead partner or project partner and expenditure under examination, withdrawal or reduction of the Programme co-financing, recovery of granted funds.

The MA/JS will ensure that any amount paid as a result of an irregularity will be recovered from the lead partner. Project partners will repay the lead partner any amounts unduly paid. If the lead partner does not succeed in securing repayment from project partners, or if the MA/JS does not succeed in securing repayment from the lead partner, the participating country, on whose territory the partner concerned is located or, in the case of an EGTC, is registered, will reimburse the MA/JS the amount unduly paid to that project partner. The MA/JS will be responsible for reimbursing the amounts concerned to the general budget of the Union.

With regard to TA expenditure based on joint decisions by the participating countries, the participating countries will bear joint liability proportionally to their respective share in the overall TA budget. Whereas regarding irregularities connected to the incorrect use of TA, liability will be with the organisation spending the TA.

By signing the "Agreement on the Management, Financial and Control Arrangements between countries participating in the Baltic Sea Region Programme 2014-2020 and the IB.SH" the participating countries will confirm their liability to reimburse the MA the amounts due in accordance with Article 27 of Regulation (EU) No 1299/2013and Article 147 of Regulation (EU) No 1303/2013.

Systemic errors and financial corrections

The Audit Authority, the Group of Auditors, the European Commission or the European Court of Auditors might detect systemic and other errors on Programme level that might lead to financial corrections imposed by the European Commission based on Articles 85 and 144 to 147 of Regulation (EU) No 1303/2013. It will be possible to detect errors during implementation of the Programme and at the end during closure.

Regardless of the date of detecting systemic and other errors on Programme level the methodology of sharing financial corrections among participating countries will be chosen according to the type of error as agreed in the "Agreement on the Management, Financial and Control Arrangements between countries participating in the Baltic Sea Region Programme 2014-2020 and the IB.SH".

Systemic and other errors detected on Programme level leading to consequences such as financial corrections or interruption/suspension of payments on Programme level might also affect the project level. This will be dealt with in the Programme Manual.

With regard to TA expenditure based on joint decisions by the participating countries, the participating countries will bear joint liability proportionally to their respective share in

the overall TA budget. Whereas regarding systemic errors connected to TA, liability will be with the participating country hosting the organisation spending the TA.

Non-respect of the agreed provisions and deadlines – sanctions

Agreed provisions will concern national responsibilities of the participating countries related to eligibility checks and national approval of beneficiaries, projects assessments, first level control (FLC) systems, second level audit (SLA), apportionment of liabilities related to co-financing the TA, to financial corrections and to recovery procedures as well as provisions related to project implementation and reporting on project level.

In case of non-respect of provisions agreed among participating countries it will be treated case by case. If a participating country does not comply with its duties, the MA will be entitled to suspend payments to all project partners located on the territory of this participating country.

Procedures for handling cases of non-respect of agreed provisions and deadlines on project level will be provided for in the Grant Contract and the Programme Manual.

5.1.5 Use of the Euro (where applicable)

(Reference: Article 28 of Regulation (EU) No 1299/2013)

Method chosen for the conversion of expenditure incurred in another currency than the Euro

The method for the conversation of expenditure in non-EURO countries will be the same as in the previous Baltic Sea Region Programme. According to Article 28 of Regulation (EU) No 1299/2013, expenditure incurred in a currency other than the Euro will be converted into Euro by the beneficiaries using the monthly accounting exchange rate of the Commission in the month during which the progress report will be submitted to the first level controller. The conversion will be verified by the controller in the participating country in which the beneficiary is located.

5.2. Involvement of partners

(Reference: point (c) of Article 8(4) of Regulation (EU) No 1299/2013)

Actions taken to involve the partners in the preparation of the cooperation programme and the role of those partners in the reparations and implementation of the cooperation programme, including their involvement in the monitoring committee of Regulation (EU) No 1303/2013

Involvement of partners during programme preparation

The drafting of the Baltic Sea Region Programme 2014-2020 was organised in compliance with the partnership approach as referred to in Article 5 of Regulation (EU) No 1303/2013. The European Territorial Cooperation unit of Investitionsbank Schleswig-Holstein as future Managing Authority and Joint Secretariat of the Programme (MA/JS) coordinated the process. A Joint Programming Committee (JPC) as main decision making body and a Programming Task Force (PTF) for discussing particular topics and draft proposals were established in January 2012. The JPC and PTF were composed of

national and regional representatives from all countries interested in participating in the future Programme.

In addition to those programming bodies a Reference Group was setup at the beginning of the programming process to ensure involving relevant stakeholders from the region. The Reference Group was composed of organisations with transnational and pan-Baltic relevance having thematic links to the topics covered in the programme as well as National Contact Points, Priority Area Coordinators and Horizontal Action Leaders of the EU Strategy for the Baltic Sea Region. The composition of the Reference Group was proposed by the MA/JS and cross-checked and complemented based on proposals from the JPC delegations. A full list of partners involved in the Reference Group can be found in Annex 9.3.

In spring and summer 2012, a survey was carried out among the Reference Group to analyse the needs and expectations of the new programme. The outcome of the survey was one important contribution to identify key topics to be covered in the Priority (cp. OP section 1).

National consultations were carried out by the Programme countries on a regular basis during the entire programming process (e.g. on thematic priorities) with national reference groups. Members of the JPC set up individual consultation processes in the respective countries in line with national structures and practices and communicated the results to the programme drafters during several commenting rounds.

In autumn 2012, the MA/JS carried out three online surveys among lead partners, partners and financial controllers of the previous programme in order to identify strengths and weaknesses on the level of everyday implementation. More than 800 beneficiaries replied. Results of the survey were used as basis to define procedures and tools for future project implementation in particular with the intention to reduce administrative burdens of beneficiaries (cp. OP section 7).

In April 2013, the MA/JS carried out three Thematic Programming Workshops for each of the three pre-selected thematic priorities of the programme (innovation, transport and environment/resource efficiency). The aims of the workshops were to verify and further specify the key challenges in the region within each of the three funding priorities under development. A total of 160 thematic experts and stakeholders from the countries covered by the Programme took part.

Based on a complete draft of the Operational Programme approved by the JPC in December 2013 a public consultation was carried out during January-March 2014. Individuals or organisations interested in the Programme were given the opportunity to express their opinions towards the draft Programme resulting in final amendments before the adoption of the final Operational Programme in May 2014.

Involvement of partners during programme implementation

The involvement of national, regional and local authorities, economic, research and social partners, and non-governmental organisations including environmental organisations, in the implementation of the Programme will be of great importance.

The future Monitoring Committee (MC) of the Baltic Sea Region Programme will comprise representatives from both national and regional level from the participating countries. In addition, an even broader involvement of the regional and local level, as well as economic, research and social partners and non-governmental organisations will be ensured through national sub-committees established in all participating countries; by

doing so, adequate participation of the civil society in the implementation of the Programme is ensured. Each country will inform the MA/JS about the setting up of a national sub-committee and provide information about its composition, chairman, availability and, where applicable, its rules of procedure.

SECTION 6. COORDINATION

(Reference: point (a) of Article 8(5) of Regulation (EU) No 1299/2013)

The mechanisms that ensure effective coordination between the ERDF, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and other Union and national funding instruments, including the coordination and possible combination with the Connecting Europe Facility, the ENI, the European Development Fund (EDF) and the IPA and with the EIB, taking into account the provisions laid down in the Common Strategic Framework as set out in Annex I to Regulation (EU) No 1303/2013. Where Member States and third countries participate in cooperation programmes that include the use of ERDF appropriations for outermost regions and resources from the EDF, coordination mechanisms at the appropriate level to facilitate effective coordination in the use of these resources

This section of the Programme provides an overview about the coordination between the Baltic Sea Region Programme as a transnational programme of the European Territorial Cooperation (ETC) objective and other funding instruments in the region. First, the coordination with other ETC programmes as well as ESI funds and national programmes will be outlined. Afterwards, thematic links between the funding priorities of this programme and other funds will be briefly explained. Due to the wide thematic and geographic coverage of the Baltic Sea Region Programme descriptions will have to remain on a general level. Coordination mechanisms with other Programmes need to be designed in a very efficient and focused way to keep them feasible in the given context.

Coordination with other ETC Programmes

During the funding period 2014-2020 the Baltic Sea Region Programme has geographic overlaps with the programme areas of 24 cross-border programmes (9 of them ENI programmes), and three transnational cooperation programmes. The majority of cross-border programmes has a very limited programme area and supports projects of bilateral character. Projects funded by these programmes will substantially differ from the ones that are eligible in the Baltic Sea Region Programme. Yet, thematically there might be similarities between transnational and cross-border programmes and projects will be encouraged to exploit synergies, e.g. by integrating cross-border partners into the wider transnational networks. A bigger overlay is expected between the Baltic Sea Region Programme and the two multilateral cross-border Programmes across sea-borders, i.e. the South Baltic Programme and the Central Baltic Programme. Exchange between these programmes took place during the phase of programme drafting. Also, throughout the entire funding period regular exchange will be organised to ensure that complementarities are tapped and double funding is avoided.

Further, the Baltic Sea Region Programme area overlaps with three transnational cooperation programmes, i.e. the Northern Periphery and Arctic Programme, the North Sea Programme and the Central Europe Programme.

A major platform to coordinate between the ETC Programmes will continue to be the INTERACT Programme. It will support the exchange between the programmes bodies and will gather information about funded projects from the entirety of Europe, which will allow applicants and decision makers to investigate previous and on-going cooperation on similar themes.

Coordination with other ESI Funds and national funding

Coordination between the Baltic Sea Region Programme and ESI funded as well as other national programmes will be ensured by the authorities represented in the transnational Monitoring Committee and/or in national sub-committees. These authorities will assess the strategic relevance and complementarity of project applications in the Baltic Sea Region Programme in relation to interventions funded on national level. This strategic assessment will complement the quality assessment of applications carried out by the Joint Secretariat. In general, the risk of overlaps between national and transnational programmes is minimised by a different strategic approach and types of interventions. Whereas transnational programmes support territorial integration and capacity-building in multi-national partnerships as described in sections 1 and 2 of this Programme, national programmes focus on concrete implementation measures and investments. Thus they naturally complement one other. The aim is to create links between the transnational projects, serving as "think tanks" or test grounds for innovative ideas, and large-scale implementation from ESI and other national funding. The EUSBSR is expected to support the coordination between the different funding sources. Within the scope of the different priority areas the most suitable instruments for each type of intervention need to be investigated by EUSBSR stakeholders. The Baltic Sea Region Programme will support this process with funding of seed-money projects under Priority 4 and with advice to applicants by the Joint Secretariat.

Four countries in the Programme area (Estonia, Latvia, Lithuania and Poland) receive funding from the EEA Grants and Norway Grants to reducing economic and social disparities. Each of the four beneficiary countries agrees on a set of programmes with the donor countries (Norway, Iceland and Lichtenstein), based on national needs and priorities and the scope for cooperation with the donor countries. The programmes are developed and managed by national programme operators in each of the countries. Priority sectors for these funds have some interlinks with priorities of the Baltic Sea Region Programme (e.g. on environmental protection and management, climate change and renewable energy, green industry innovation). Yet, they are clearly distinguished by their bilateral character promoting particular links between donor and beneficiary countries.

Complementarities and synergies with the funding priorities

Each funding priority defined in section 2 of this Programme document has its specific complementarities and synergies with other funding instruments. The following chapters will outline these links for the three thematic priorities of the programme. Potential applicants are obliged to avoid duplication and are asked to look for synergies by taking into account the roles and achievements of other European initiatives and programmes as described in the following:

Priority 1 'Capacity for innovation'

The main reference point will be the *Innovation Union initiative* forming part of the Europe 2020 strategy and the Framework Programme for Research and Innovation (*Horizon 2020*) which is the consolidated financial instrument that replaced other Union research and innovation funding. The synergies should be explored e.g. in the area of creating business opportunities out of responses to the major societal challenges, support for innovation deriving from the market needs and involvement of the public sector in innovation processes. The experience should be also be drawn from initiatives ensuring more balanced and interconnected research and innovation infrastructures i.e. *European*

Research Infrastructure Consortium (ERIC) and *European Strategy Forum on Research Infrastructures (ESFRI*). Specifically, the applicants should consider actions targeted at open innovation and removing obstacles for industry access to public infrastructures. It is also recommended that applicants follow development in the *Eco-Innovation Observatory* that functions as a platform for the structured collection and analysis of an extensive range of eco-innovation information. With respect to social innovation the *European Public Sector Innovation Scoreboard* and the *European Social Innovation pilot* should be considered which provide insight into public sector innovation and expertise for social entrepreneurs, public and third sectors. Additionally, the applicants targeting cultural and creative industries will take into consideration the *European Creative Industries Alliance* responsible for development of new forms of support for these industries. The undertaken efforts should be, whenever possible, streamlined with *Entrepreneurship 2020 Action Plan*. Furthermore, when developing interventions in the fields *national mainstream programmes* focused on innovation and research, support should be explored in order to ensure alignment of funding in particular for demonstration activities and piloting of developed solutions.

Priority 2 'Efficient management of natural resources'

The priority on sustainable management of natural resources is linked to several other funding programmes and initiatives that should be considered when seeking synergies and complementarities for the projects. In order to combat eutrophication and pollution, the *BONUS Programme* and the *EAFRD* might provide complementary actions for projects under the specific objectives of reducing nutrients and hazardous substances in the Baltic Sea. Measures which receive support from these sources might also be of significant interest for transnational projects addressing the challenges of resource-efficient blue growth. Projects contributing to sustainable and resource-efficient blue growth might also seek synergies with relevant actions funded by the *EMFF*, especially concerning sustainable aquaculture and measures to support coastal communities in diversifying their economies.

The *Northern Dimension Environmental Partnership* targets and actions, which include collaboration on waste-water treatment, waste management and energy efficiency measures, should be considered when developing interventions which aim to reduce nutrient loads, decrease hazardous substances in the Baltic Sea and to increase energy efficiency.

When developing interventions in the fields of renewable energy and energy efficiency, potential applicants are similarly obliged to avoid duplication and look for synergies by taking into account the roles and achievements of the following programmes and initiatives contributing to joint efforts for energy efficiency and wider utilisation of renewable energy: Programme dedicated to continuation of *Intelligent Energy Europe*, *Covenant of Mayors and ManagEnergy Initiatives*. Furthermore, in all cases interregional and national financing programmes should be considered.

Priority 3 'Sustainable transport'

The potential applicants are obliged to avoid duplication and to look for synergies by taking into account the roles and achievements of other European initiatives and programmes. The Programme does not support any actions that are supported by funding foreseen for TEN-T infrastructures, e.g. which will be financed by Connecting Europe Facility (CEF). However, synergies sought on the tertiary and secondary nodes to TEN-T, which could be supported by CEF, would be eligible. National, regional and local actors may jointly develop a set of measures to attract funding for investments from these

programmes, in particular from the Marco Polo Programme and Motorways of the Sea Programme. Whenever relevant, potential applicants should look for cooperation with relevant national (mainstream) programmes and the Cohesion Fund. Research and technology innovations concerning smart, green and integrated transport are planned to be supported within the framework of *Horizon 2020* Programme. Therefore, whenever relevant, potential applicants should look for synergies with projects supported by Horizon 2020 and not duplicate the same measures. Furthermore, the experiences should be drawn from the *CIVITAS Initiative* driven by European policy to deliver clean and better transport for European citizens. It is also recommended that the applicants follow development in the *Council of Baltic Sea States, Northern Dimension Partnership on Transport and Logistics*.

SECTION 7. Reduction of administrative burden for beneficiaries

(Reference: point (b) of Article 8(5) of Regulation (EU) No 1299/2013[71])

A summary of the assessment of the administrative burden for beneficiaries and, where necessary, the actions planned accompanied by an indicative timeframe to reduce the administrative burden.

During the implementation of the predecessor programme the MA/JTS was continuously working on measures to reduce the administrative burden for beneficiaries as well as the administrative efforts for the programme authorities. The MA/JTS regularly received feedback from the beneficiaries but also conducted (online) surveys to systematically receive feedback from running operations. The MA/JTS perceived the administrative burden on a level which correlated with the complexity of a transnational cooperation programme, covering not only 8 EU Member States, Norway and Belarus but also different funding sources and different sets of rules. Taking into account those facts, the MA/JTS assessed the administrative "burden" as fair and did not see shortcomings or measures for improvement that would have helped to significantly reduce the administrative burden for beneficiaries in the predecessor programme.

However, the new programme period will require new efforts to maintain the current level of the administrative burden or even to lower it. Changes in the EU regulatory framework (e.g. e-cohesion, delegated acts on eligibility of expenditures etc.) were made to support the programmes in their efforts to reduce the administrative burden for applicants and beneficiaries by aligning rules between the programmes and by streamlining the exchange of data between projects and beneficiaries.

Nevertheless the programme's objective is to build the new programme on the best practice applied in the predecessor programme and therefore aims at further reducing the administrative burden for beneficiaries as well as for other programme actors.

One of the key elements to achieve a reduction of the administrative burden is the application of harmonised (and simplified) rules and procedures, which were agreed between various territorial cooperation programmes.

Therefore, and in line with the results of inter-programme discussions facilitated by INTERACT, the following measures are considered for implementation:

a) The introduction of a flat rate calculation of office and administrative costs, as regulated in Article 68 of Regulation (EU) No 1303/2013.

b) The introduction of simplified cost options in the field of supporting project preparations (e.g. preparation costs reimbursed on a lump sum basis) or in case of small scale projects, the application of a standard scale of unit costs.

c) The implementation of the Delegated Act on General Rules on Eligibility of Expenditure for Cooperation Programmes when preparing the programme's eligibility rules and financial structures (e.g. budget lines). By streamlining the eligibility requirements on the whole ETC level, beneficiaries will have a more transparent system and documentation to refer to regardless of the programme

[71] Not required for INTERACT and ESPON.

they are participating in. The need to study and understand various interpretations of eligibility rules would be reduced to a minimum and therefore the risk of mistakes in reporting would be significantly reduced.

Furthermore, a common set of ETC eligibility rules will ease the work of first level controllers. The delegated act being the first hand reference overruling the national legislations on the level of ETC will also offer more equal and transparent cost accounting within the participating Member States/partner countries.

d) The implementation and use of harmonised first level control documents (i.e. first level control check list and report). By this the programme aims to ensure that beneficiaries and FLCs from the region participating in several ETC Programmes face the same requirements and procedures when it comes to control. This will simplify the work of the FLC who would use the same documents and answer to the same control requirements regardless of the programme they are involved in. Additionally, this will also simplify the work of the beneficiaries if FLC documents are aligned.

e) The future BSR Programme aims to simplify the procedures applicable during the project implementation. In this respect it is planned to introduce measures of flexibility into the change procedure, e.g. allowing project and lead partners to implement certain changes in their work plan and budget without the necessary approval of the JS as long as the aims and outputs of the project would be reached. The simplification of the procedure of introducing new partners into the partnership is also envisaged. Furthermore, with a view to the duration of the change procedure, it is planned to streamline the involvement/interaction of the whole Monitoring Committee.

f) On the level of tools for implementation the Programme aims to simplify the structure of the forms in order to make them more user-friendly.

It is planned to apply all measures that help to reduce the administrative burden for beneficiaries from the beginning of the new programme period.

SECTION 8. HORIZONTAL PRINCIPLES

(Reference : Article 8(7) of Regulation (EU) No 1299/2013)

8.1. Sustainable development[72]

Description of specific actions to take into account environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention and management, in the selection of operations.

Sustainable development of the region will be an integral part of the Baltic Sea Region Programme and will be covered by all Programme Priorities. Priority 1 'Capacity for innovation', Priority 2 'Efficient management of natural resources', and Priority 3 'Sustainable transport' tackle a wide range of topics related to economic, environmental and social sustainability. For example, Priority 1, among others, aims at supporting solutions to societal challenges, such as climate change, energy and resource efficiency, food supply, welfare, health and demographic change. Priority 2 focusses, inter alia, on challenges related to environmental protection, resource and energy efficiency, water protection, these also being core topics of sustainable development. Finally, Priority 3, supporting sustainable transport, also takes into account the sustainable development of the Baltic Sea Region, for instance in the specific objective on environmentally friendly urban mobility. More details on specific actions are described in the respective chapters of each Priority as well as in the Programme Manual.

Furthermore, and as described in section 4, the Baltic Sea Region Programme takes a cross-cutting approach to a number of defined horizontal topics, such as sustainable development, climate change, or demographic change to be integrated in the different Programme Priorities. All projects will be required to include these aspects in their project design and to report on their implementation. This will be followed up in the project monitoring process. More details on this approach and expectations towards projects will be further developed in the Programme Manual.

8.2. Equal opportunities and non-discrimination[73]

Description of the specific actions to promote equal opportunities and prevent any discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation during the preparation, design and implementation of the cooperation programme and, in particular, in relation to access to funding, taking account of the needs of the various target groups at risk of such discrimination, and in particular, the requirements of ensuring accessibility for persons with disabilities.

The European Union has developed a comprehensive legal and policy framework to address equality and non-discrimination, based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. In this framework, the Baltic Sea Region Programme 2014-2020 intends to promote equal opportunities and to prevent discrimination through its funded projects where suitable.

Consequently, all projects funded by the Programme will be assessed for their planned actions and impacts on fostering equal opportunities and on the prevention of

[72] Not applicable to URBACT, INTERACT and ESPON. .

[73] Not applicable to URBACT, INTERACT and ESPON.

discrimination, including accessibility for disabled people. The promotion of equal opportunities and non-discrimination will be regarded, among other horizontal policies, as a positive factor in the project selection for funding. As a general approach and in line with the predecessor Programme, all projects will be requested to integrate these horizontal issues in their activities, or at least, to consider the project's influence on these. In practical terms, the projects will have to describe in the application form what impact it will have towards equal opportunities and non-discrimination and to provide examples in case concrete activities/outputs are planned in that respect. This will be followed up during the monitoring of the project implementation, and reported upon in the Programme's annual implementation reports.

Examples for such activities or results of projects funded by the Baltic Sea Region Programme could be infrastructure adapted for disabled or elderly people's needs and limited accessibility (covered by Priority 3), or targeted and inclusive business support addressed for protected or under-represented groups and their particular needs (covered by Priority 1).

However, these actions and their positive impact would be a side effect of funded projects rather than a main focus of the Programme as there is a wide range of other European programmes (e.g. ESF) specifically targeting the issue of equal opportunities and non-discrimination. Therefore, any further reaching specific actions or measures on Programme level to promote these principles are not intended. Moreover, as the target groups of the Programme are rather wide (e.g. public organisations, private bodies, universities, etc.), there are no particular target groups identified at Programme level, which may have a reduced access to support or are at risk of discrimination.

More details on how these principles are implemented in the Programme and expectations towards projects will be described in the Programme Manual.

8.3. Equality between men and women

Description of the contribution of the cooperation programme to the promotion of equality between men and women and, where appropriate, the arrangements to ensure the integration of the gender perspective at cooperation programme and operation level.

Equality between men and women is a core issue cross-cutting all policies of the European Union. Consequently, the gender perspective, supporting equality between men and women, is an integral part of the Baltic Sea Region Programme and all its funded projects.

In general, project applicants are expected to take gender equality into consideration. As already described in chapter 8.2., the promotion of gender equality is regarded as a positive factor when projects are selected for funding. In the application form, the projects will have to indicate whether they will contribute to gender equality, and to provide examples in case concrete activities/outputs are planned. Their implementation will be followed up during the project monitoring process, and reported upon in the Programme's annual implementation reports.

However, these actions and their positive impact would be a side effect of funded projects rather than a main focus of the Programme as there is a wide range of other European programmes (e.g. ESF) specifically targeting the issue of gender equality.

Therefore, any further reaching specific actions or measures on Programme level to promote this principle are note intended.

More details on how the gender perspective is integrated in the Programme and expectations towards projects will be described in the Programme Manual.

SECTION 9. SEPARATE ELEMENTS[74]

9.1. List of major projects for which implementation is planned during the programming period

(Reference: point (e) of Article 8(2) of Regulation (EU) No 1299/2013)

Table 24: A list of major projects [75]

Project	Planned notification/submission date (year, quarter)	Planned start of implementation (year, quarter)	Planned completion date (year quarter)	Priority axes/investment priorities

9.2. Performance framework of the cooperation programme

Table 25: Performance framework (summary table)

Priority axis	Indicator or key implementation step	Measurement unit, where appropriate	Milestone for 2018	Final target (2023)

9.3 Partners involved in the preparation of the cooperation programme

9.4 Applicable programme implementation conditions governing the financial management, programming, monitoring, evaluation and control of the participation of third countries in transnational and interregional programmes through a contribution of ENI and IPA resources

(Reference: Article 26 of Regulation (EU) No 1299/2013)

[74] To be presented as annexes in printed document version

[75] Not applicable to INTERACT and ESPON.

ADDITIONAL PROGRAMME SPECIFIC ANNEXES

Annex 11.1. SWOT Analysis Priority Axis 1 'Capacity for innovation'

Strengths	Weaknesses
• A number of regions in the BSR ranked high on the EU Innovation Scoreboard • SMEs constitute 99% of all companies in BSR, therefore are backbone of BSR economy • Strong regional clusters and innovation milieus • Sectoral specialisation in several sectors requiring higher technology, among others: ICT, agro-food, healthcare/wellness, biotech, cleantech, energy (notably renewables), advanced materials and maritime • Sectoral specialisation based on natural assets and industrial traditions: construction, wood, paper and pulp, minerals and metals, food & drinks • Unique tradition of broad-based partnerships driving innovation developments and good conditions for the development of networks • Wide range of research and innovation infrastructures across the Baltic Sea Region	• Strong regional disparities in innovation performance dividing the BSR into a region with different speeds • Uneven distribution of the research and innovation infrastructures across the BSR and different cooperation traditions • Weak attraction of capital and human resources from outside the BSR • Limitation of clusters to one region and weak cooperation between them • Insufficient capacity of innovation intermediaries (for example, technology centres, incubators, chambers of commerce, development and innovation agencies) hindering development of the BSR • Insufficient demand for some existing research capacity and inefficient knowledge transfer mechanisms • Lack of effective mechanisms ensuring transfer of knowledge from research to enterprises • Insufficient exploitation of non-technological innovation (domination of the technological push) and demand-driven innovation • Insufficient coverage of SMEs with support measures (e.g. access to information, networks, early stage financing, etc.) for activating innovation potential
Opportunities	**Threats**
• Maintaining a strong human capital base by strengthening knowledge flows between the BSR countries and by acquisition of external resources • Diversification of innovation support depending on level of regional innovativeness • High potential for excelling in non-technological innovation including cultural and creative industries and social innovation, as well as eco-innovation • Improved framework conditions for enterprises to innovate and discover new research and business opportunities, e.g. through response to large societal challenges and cross-sectoral collaboration • Developing of world-class clusters and innovation milieus based on regional strengths • Improved framework conditions for developing smart specialisation strategies (several regions with clear sectoral focus and launched cluster efforts) • Strengthening BSR research and innovation infrastructure • Creation of BSR research and innovation platforms attractive to investments from outside the region	• Increased regional disparities in innovation performance inside the BSR countries • Deepening of the innovation gap between BSR and other regions on European and global scale due to insufficient exploitation of innovation potential, in particular non-technological innovation • Growing risk that there is no demand for existing research capacity • Failure to prioritise policy actions towards research infrastructures due to focusing on narrow institutional needs without broader strategic vision • Missed new growth opportunities in BSR due to lack of the national and regional smart specialisation strategies and/or inefficient implementation • Failure to involve entrepreneurial actors in discovering promising areas of future specialisation (instead of bureaucratic fostering of areas to excel) and providing incentives for entrepreneurial activities in line with the strategies • Weakened BSR innovation output due to insufficient involvement of entrepreneurs in developing non-technological innovation

Annex 11.2. SWOT Analysis Priority Axis 2 'Efficient management of natural resources'

Strengths	Weaknesses
• Rich regional resources in terms of vast nature areas and high biodiversity value • Large variety of available renewable energy resources (e.g. biomass, wind, water) • Vast diversity of marine resources, many of which are still untapped (e.g. algae harvesting or blue biotechnology), which allow for future growth in the maritime and blue growth sectors • Well-developed regulatory framework for the water and resource management, e.g. EU Marine Strategy Framework Directive giving a higher status to protection of the marine environment and regional co-operation, the Nitrates and Water Framework Directives and the HELCOM Baltic Sea Action Plan • Many regions in the BSR with extensive experience in the environmental economy • Good scientific knowledge base for management of the marine environment • Good achievements in renewable energy production in several BSR countries	• Impaired environmental state of the Baltic Sea caused by eutrophication and hazardous substances, particularly acute in the southern and eastern parts of the sea • Lack or no cooperation between different sectors that have an impact on the water quality, e.g. agriculture and nature conservation, tourism and coastal protection • Insufficient capacity of administrations and industries at regional and national level on implementation of requirements concerning hazardous substances • Shortcomings in the existing monitoring and reporting systems on the environmental quality of the Baltic Sea: the data is not always complete, consistent and comparable between countries • Low level of communication and contacts with–the partner countries (Russia, Belarus) having a major impact on the Baltic Sea environmental issues such as eutrophication • Lack of legally binding commitments to implementation of the existing agreements and regulations, e.g. HELCOM Baltic Sea Action Plan • Low level of harmonisation and coordination of national management plans and legislation related to marine environment to combat the long-term deterioration of the Baltic Sea and use marine resources in a sustainable way • Low energy efficiency and insufficient energy saving in the BSR countries • Insufficient capacity of public authorities and enterprises to facilitate production and use of renewable energy • Dependence on the imports of fossil fuels • High green house gas emission attributed to the use of fossil fuels • Poor integration of energy efficiency aspects into the regional planning • Slow transition to low energy cities and regions
Opportunities	**Threats**
• Growing awareness of the degradation of the Baltic Sea environment among politicians from the Baltic Sea countries • Decreasing trends of certain hazardous substances and improving health status of some top predators • Development of non-intensive agricultural production facilities, enhancing rural labour market, sustainable economy and landscape	• Increasing nutrient loads to the Baltic Sea due to growing diffuse emissions (application of mineral fertilizer in agriculture) and point sources (industrial animal production facilities, urban waste water treatment systems) insufficient recycling of nutrients, insufficient nutrient removal (especially in the Eastern part of the BSR) • Rising amounts of plastic maritime litter in the Baltic Sea, posing a risk to wildlife

quality that leads to reduced eutrophication • Growing awareness of opportunities of nutrient recirculation and interest to green technologies • Stronger transnational cooperation through established integrated coastal zone and river basin management at regional level as well as through the HELCOM forum • Positive framework conditions for a strengthened cross-sectoral policy-oriented dialogue, leading to integrated management of nutrient resources and sustainable use of marine waters and coastal areas • Development trend of environmentally sustainable marine businesses to boost blue and green growth economy in the Baltic Sea region • Business opportunities based on a good environmental condition of the Baltic Sea and of a healthy status of its natural resources • Increased political recognition of the potential of the "blue growth" sectors, including at EU level • Growing interest in renewable energy sources at policy level • Development trend of producing renewable energy from region's own resources within areas of strengths • Strengthening environmentally-driven business behaviour • Better utilisation of research results for the protection of environment • Emerging markets for energy efficient solutions based on transfer of knowledge	• Risks posed by formerly unknown, major industrial sources of pollution • Growing risk of environmental hazards due to climate change in particular harming coastal areas and islands • Overexploitation of maritime resources due to intensifying and uncontrolled activities especially in the blue growth sectors • Environmental hazards caused by non-sustainable activities of actors within the blue growth and other economic sectors • Economic losses which are caused by a deterioration of the environmental status of the Baltic Sea and its natural resources • Contradictory and competing uses of the Baltic Sea resources due to increased economic activities in the maritime sectors • Weakening efforts to safeguard sustainable development of the Baltic Sea and its catchment area, which increases the imbalance between the countries in the Baltic Sea region, due to different views on environmental priorities when economic and social override other interests

Annex 11.3. SWOT Analysis Priority Axis 3 'Sustainable transport"

Strengths	Weaknesses
• Legal basis for easy transport of persons and goods as all BSR countries except Russia and Belarus are in the Schengen zone. • Strong maritime shipping and port sector, with a large number of competitive ports around the Baltic Sea and an important role in global maritime logistic chains. • Strong maritime network by ferries with frequent services across the Baltic Sea. • New ferry and vessel fleet operates in Western part of BSR. • Strong export oriented economies with profound knowledge on intermodal logistics (especially in the Northern and Southern parts of the BSR). • Highly developed Baltic Sea environmental monitoring system may contribute to environmentally sustainable transport. • Strong global export base of raw materials in the Northern parts of the BSR and the Arctic Circle area. • Liberalised single EU aviation network and dense air transport infrastructure consisting of a network of medium-size international hubs, major international airports with important domestic hub functions, as well as regional airports (important for accessibility of low-density remote areas).	• Separation of the Western, Eastern, Northern and Southern parts of the BSR (including islands) by the Baltic Sea. • Disparity in quality and availability of infrastructure in particular in the East-West connections as funding requirements are enormous (backlog of transport infrastructure investments in the new Member States). • Lowest accessibility rates in Europe for Northern and Eastern part of the Programme area. • Lack of harmonisation in regard to infrastructure standards, electricity, traffic control and safety systems of railways limits the mobility of persons and goods. • Underdeveloped rail and road connections in the Eastern part of the BSR. The major bottlenecks are on the Via Baltica and RailBaltica corridors, as well as the links with Russia and Belarus. • Insufficient infrastructure and long border crossing procedures between Schengen countries and Belarus/Russia limiting international accessibility for goods and passengers, especially on the Vistula Lagoon. • Low-level of cross-border co-operation for infrastructure planning. • Increased demand for transport on trunk road and rail links in already congested parts of the network in Western part. • Due to heavy traffic shipping accidents still remain a challenge. • Maritime safety administration and related functions and tasks are mainly arranged and maintained by individual states on national level. • Implementation of international maritime safety regulations and standards vary a lot between states and even between regions. There is a lack of harmonised interpretation and implementation of safety codes, standards and regulations. • The harmonisation of the Port State Control methods and a sound professionalism of the Port State Control Officers to gain similar level of competence throughout the region are needed. • High dependency on fossil fuels in all modes, which leads to one of the major contribution to CO2 emissions.
Opportunities	**Threats**
• Improved and frequent ferry and short haul connections can be used as cost efficient solution for the further integration of the regions of the Baltic Sea. Increased sea transport can help to	• High dependence of BSR on foreign trade and therefore in need of a well-functioning transport infrastructure for its economic growth.

improve capacity on rail and road transport systems. • Establishment and use of communication platforms for transport stakeholders might improve quality of infrastructure planning and efficiency of infrastructure use. • Increased experience with intermodal shipping of products in the Eastern part of the BSR due to learning processes from more experienced Northern and Southern areas. • Growing recognition of BSR as strategic location for the trade between Europe and Asia. • Growing number of port development projects, especially in container terminals (Poland, Latvia, Russia). • Increasing tendency towards port and terminal concentration throughout the region helps to strengthen global BSR competitiveness in the transport sector. • Melting of sea ice in the northern part of the BSR is opening opportunities to increase the region's role as global hub for transport to and from Asia through Arctic waters (shorter, less emissions, less energy). • Better alignment of the EU core and comprehensive TEN-T network and the Northern Dimension Partnership on Transport and Logistics network would support the special transport needs of the Baltic Sea Macro Region. • Stronger implementation of high environmental standards on maritime transport might boost alternative propulsion systems like LNG, biofuels and alternative fuel powered ships. • Efficient interconnections points in urban areas for the trans-European transport network can improve the competitiveness and sustainability of future transport system. • Increased competences of public and private actors in urban areas can facilitate introduction of environmentally friendly transportation. • Successfully introduced new technologies for vehicle and traffic management will be key solution to lower transport emissions. • A more active and tighter commitment from the high level decision makers is required to ensure a good future maritime safety and security level. • The Baltic Sea is designed by IMO as a Particularly Sensitive Sea Area, where passenger ships are not allowed to release raw sewage into the sea that has not been treated for nutrients. • E-navigation has an important role in the future development of navigation safety by means of harmonised collection, integration, exchange, presentation and analysis of maritime information on board and ashore by electronic means	• Slowly narrowing transport infrastructure gaps between Eastern (new EU Member States and partner countries) and Western countries. The recent economic and financial crises might impede future infrastructure funding. • Environmentally valuable areas might negatively impact transport investments in the Eastern part of the BSR. • Reduced content of sulphur in maritime transport fuels due to EU Sulphur Directive and international agreements will increase operating costs of ships and might force operators to shift transport back to the roads. • Failure to fully exploit the potential of profitable Arctic commercial navigation due to missing freedom of navigation and right of innocent passage and due to e.g. drift ice, lack of port, safety and monitoring infrastructure, environmental risks and uncertainties about future trade patterns. • Difficult to uphold air services to least accessible regions in future due to low demand and restrictions on subsidies to air carriers based on EU state aid rules. • New interoperability problems might arise with the introduction of novel transport technologies e.g. road toll systems, electric vehicles, new fuels etc. • Growing demand for seaborne freight transport requires major port, port-hinterland, and rail infrastructure investments. • The Baltic Sea is especially exposed to the threats from shipping and other human marine activities due its semi-closed environment and shallow, brackish waters. • Regulations and economic competition force shipping companies to operate on verge of profitability and therefore they cannot or are unwilling to direct many resources to safety and security issues or to manning and/or well-being of seafarers. • Regions suffering from demographic change and outmigration.

Annex 11.4 First Level Control (FLC) and Second Level Audit (SLA) system

Due to the transnational character of the Operational Programme there are several national systems in place. Information on national bodies responsible for FLC and SLA per participating country are provided in the tables below.

a) The national FLC systems of the participating countries

Country	Name of the authority/body	Head of the authority/body
Kingdom of Denmark		
Republic of Estonia		
Republic of Finland		
Federal Republic of Germany		
Republic of Latvia		
Republic of Lithuania		
Republic of Poland		
Kingdom of Sweden		
Kingdom of Norway		
Republic of Belarus		
Russian Federation		

b) The national SLA systems of the participating countries

Country	Name of the authority/body	Head of the authority/body
Kingdom of Denmark		
Republic of Estonia		
Republic of Finland		
Federal Republic of Germany		
Republic of Latvia		
Republic of Lithuania		
Republic of Poland		

Kingdom of Sweden		
Kingdom of Norway		
Republic of Belarus		
Russian Federation		

ANNEXES (uploaded to electronic data exchange systems as separate files):

- Draft report of the ex-ante evaluation, with an executive summary (mandatory)

  (Reference: Article 55(2) of Regulation (EU) No 1303/2013)
- Confirmation of agreement in writing to the contents of the cooperation programme (mandatory)

  (Reference: Article 8(9) of Regulation (EU) No 1299/2013)
- A map of the area covered by the cooperation programme (as appropriate)
- A citizens' summary of the cooperation programme (as appropriate)