

Interreg
Euregio Meuse-Rhine
European Regional Development Fund



Detailed Subsidy Rules
2019-2022
Interreg V-A Euregio
Meuse-Rhine programme

PROVINCIAL BULLETIN

Official name of rules:	Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme 2019 – 2022
Title for citation:	Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme 2019-2022
Name of revoked rules:	Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme
Resolved by:	Provincial Executive in its capacity as managing authority for the Interreg V-A Euregio Meuse-Rhine programme
Subject:	European subsidies
Legal basis or capacity on which the rules are based:	<p>Rules of the State Secretary of Economic Affairs of 25 June 2016, no. WJZ/16083058, entailing amendment of the Rules for European Economic Affairs subsidies in connection with the Euregio Meuse-Rhine cooperation programme;</p> <p>Designation of the Provincial Executive as Managing Authority, in accordance with the decision of the State Secretary of Economic Affairs of 25 June 2016, no. DGBI-I&K/16083120, entailing delegation of the Managing Authority, the certification authority and the Committee for the Euregio Meuse-Rhine cooperation programme 2014-2020.</p>
Effective date:	7 May 2019
Term rules are in force:	7 May 2019 to 31 December 2022
Responsible cluster:	Cluster EMR

Provincial Executive of the Province of Limburg in the capacity of Managing Authority for the Interreg V-A Euregio Meuse-Rhine Cooperation Programme in accordance with the decision of the State Secretary of Economic Affairs of 25 June 2016, no. DGBl-I&K/16083120, entailing designation of the Managing Authority, the certification authority and the Committee for the Euregio Meuse-Rhine cooperation programme 2014-2020;

In consideration of 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;

In consideration of 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;

In consideration of Commission Delegated Regulation (EU) No. 481/2014 of 4 March 2014 supplementing Regulation (EU) No. 1299/2013 of the European Parliament and of the Council with regard to specific rules on the eligibility of expenditure for cooperation programmes (OJ EU 2014, L138);

In consideration of the ERDF Implementing Regulations;

In consideration of the REES (Rules of European EA subsidies) for programme period 2014-2020;

Whereas on 28 June 2016 the monitoring committee adopted the premises of the detailed subsidy rules;

Whereas the Managing Authority is responsible for the implementation of the Euregio Meuse-Rhine Cooperation Programme and the engagement of the European Regional Development Fund for the development of the Euregio Meuse-Rhine into a modern knowledge region and a technological top region with a competitive economy and a high quality of life in an inclusive community that creates jobs;

Whereas the eligibility of activities for expenditure can be defined broadly, and this broad definition is intended to achieve optimal achievement of the objectives, the Managing Authority will review whether the total of government contributions to the subsidy recipient does not exceed the amount of state aid permitted under the provisions of European law. Specifically, for the purposes of the determination of whether state aid is justified, the Managing Authority considers the following regulations on state aid applicable:

- a. Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187/1 of 26 June 2014;
- b. Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to the *de minimis* aid, OJ L 352/1 of 24 December 2013.

Resolve on 30 April 2019 to establish the following rules:

DETAILED SUBSIDY RULES, INTERREG V-A EUREGIO MEUSE-RHINE PROGRAMME 2019-2022

Chapter 1 General provisions

Article 1 Definitions

For the purposes of these rules, the following terms are defined as follows:

- a. General Block Exemption Regulation Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, OJ L 187/1 of 26 June 2014.
- b. AWB: the Dutch General Administrative Law Act (*Algemene wet bestuursrecht*);
- c. Monitoring Committee: the committee charged with the monitoring of the performance of the cooperation programme in accordance with article 47, 48 and 49 of Regulation (EU) No. 1303/2013 and designated as Monitoring Committee INTERREG V-A Euregio Meuse-Rhine 2014-2020, as referred to in article 3 of the decision of the State Secretary of Economic Affairs of 25 June 2016, no. DGBI-I&K/1608-3120, entailing designation of the Managing Authority, the certification authority and the Committee for the cooperation programme Euregio Meuse-Rhine 2014-2020.
- d. *De minimis* aid: aid that meets the conditions for exemption from registration as set out in Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to the *de minimis* aid, OJ L 352/9 of 24 December 2013, including any amendments thereto to be adopted in the future.
- e. *De minimis* regulation: Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to the *de minimis* aid, OJ L 352/9 of 24 December 2013.
- f. ERDF: European Regional Development Fund.
- g. Cost catalogue: catalogue with further details of eligible and ineligible costs for the cooperation programme drafted on the basis of Article 18, second paragraph, of Regulation (EU) No. 1299/2013 and approved by the Monitoring Committee on 28 June 2016 and published on the website of the cooperation programme (www.interregemr.eu).
- h. Lead partner: a legal person, sole proprietorship or partnership acting as subsidy applicant on behalf of a cooperative.
- i. Managing authority: Provincial Executive of the Province of Limburg is designated as Managing Authority (as referred to in the first paragraph of Article 123 of Regulation (EU) No. 1303/2013) for the Cooperation Programme and as referred to in the first paragraph of article 2 of the decision of the State Secretary of Economic Affairs of 25 June 2016, no. DGBI-I&K/1608-3120, entailing delegation of the Managing Authority, the certification authority and the Committee for the Euregio Meuse-Rhine cooperation programme 2014-2020.
- j. SME: the category of micro, small and medium-sized enterprises as defined in Annex 1 of the General Block Exemption Regulation.

- k. Enterprise: unit that engages in an economic activity, irrespective of its legal form and the manner in which it is financed.
- l. Output indicators: indicators as referred to in Article 27, fourth paragraph under (b) of Regulation (EU) no. 1303/2013 and as elaborated in chapter 2 of the cooperation programme.
- m. Programme area: territory of the Euregio Meuse-Rhine, as defined in the annex to the Interreg V-A Euregio Meuse-Rhine cooperation programme 2014-2020.
- n. REES: Rules for European Economic Affairs subsidies (Rules of the State Secretary of Economic Affairs of 28 June 2015, no. WJZ/15083650, entailing adoption of subsidy tools for the purposes of the European structural and investment funds in the area of Economic Affairs (Rules of European EA subsidies)); including amendment of the Rules of European EA subsidies in connection with the Euregio Meuse-Rhine cooperation programme of 25 June 2016, no. WJZ/16083058 or a successor to these rules;
- o. Cooperation programme: Interreg V-A Euregio Meuse-Rhine cooperation programme 2014-2020; joint programme as referred to in Article 96 of Regulation (EU) No. 1303/2013, approved by the European Commission on 9 December 2015 (2014TC16RFCB001); this programme can be consulted on the website www.interregemr.eu;
- p. 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.
- q. Regulation (EU) No. 1303/2013: 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 347/320 of 20 December 2013.

Article 2 Applicability of the rules

The rules make subsidy available for projects that contribute to the objective of the Cooperation Programme as described and incorporated into the Cooperation Programme: *“The support of projects that contribute to the development of the Euregio Meuse-Rhine into a modern knowledge region and a technological top region with a competitive economy and a high quality of life in an inclusive community that creates jobs.”*

Article 3 Applicant and beneficiary

1. Subsidies under these rules can be applied for by a lead partner.
2. Legal persons and partnerships in the cooperative as referred to in article 4, paragraph 1(b) are the beneficiaries of the subsidy.

Chapter 2 Criteria

Article 4 General subsidy criteria

1. The general eligibility criteria for the subsidy are as follows:
 - a. The results of the project are of benefit to the programme area.
 - b. The project constitutes a cooperative that consist of at least two legal persons from two different member states from the programme area.
 - c. The project contributes to the objective of the programme as formulated in article 2 and fits within one of the priority axes as formulated in article 5.
 - d. The project scores on one or more of the output indicators associated with the priority axis in question.
 - e. The project has a maximum duration of three years; the start and end dates will be set out in the grant letter.
 - f. The project does not start before 1 January 2020.
2. Where state aid is provided, in order to be eligible for subsidy the project must:
 - a. be covered by one of the articles of the General Block Exemption Regulation, meet the conditions of that article and meet the general and procedural provisions of Chapters I and II of the regulation in question; or
 - b. meet the conditions specified in the *de minimis* regulation; or
 - c. meet the conditions of another exemption.

Article 5 Specific sub-areas

Subsidies can be requested for projects within one of the three priority axes of the Cooperation Programme:

1. Priority axis 1: Innovation 2020
2. Priority axis 2: Economy 2020
3. Priority axis 3: Social inclusion and education

A further elaboration of the priority axes can be found in chapters 1 and 2 of the Cooperation Programme.

Article 6 Selection and priority criteria

1. In order to be eligible for a subsidy, the subsidy application must meet the following selection criteria:
 - a. The project must enhance cross-border cooperation.
 - b. The project makes a contribution to the objectives and results of the Cooperation Programme.
 - c. The project is feasible, sustainable for the programme area and has added value for other projects in the Cooperation Programme;
 - d. The results of the project are proportionate to the budget required for the performance of the project (“value for money”).

2. Subsidy applications are ranked as follows:
- The degree to which they meet each selection criterion as set out in the first paragraph and the specifics given in the explanation to this article will be evaluated by the Monitoring Committee based on the following score table:

Valuation	Score
Outstanding	5
Good	4
Adequate	3
Weak	2
Inadequate	1

- On each application, a score is assigned on each selection criterion.
 - The points per selection criteria are totalled and divided by the number of selection criteria in order to arrive at a total average score.
 - The applications are ranked on the basis of the total average score per priority axis.
 - The total average score must be a minimum of 3.
3. Where subsidy applications within the same priority axis score equally, priority is given to subsidy applications that contribute to output indicators where performance is below expectations.

The output indicators are listed below by priority axis for each below-expectations performance, by which (a) has the highest priority, followed by (b), etc., this in the opinion of the Monitoring Committee after obtaining the recommendations of the Managing Authority:

Priority axis 1

- PSI09 Number of supporting innovation-oriented cooperation projects between companies
- CO27 Research, innovation: private investments that keep step with government aid for innovation or R&D projects
- CO06 Productive investment: private investments coordinated for government aid for enterprises (subsidies)
- CO02 Productive investment: number of enterprises receiving aid

Priority axis 2

- CO08 Productive investment: increase of jobs in companies receiving aid
- PSI05 Increase of jobs in SMEs receiving aid
- PSI06 Number of projects oriented towards efficient use of resources in companies/SMEs
- PSI17 Number of projects oriented towards increasing energy independence in companies/SMEs
- CO02 Productive investment: number of enterprises receiving aid
- PSI04 Number of SMEs receiving subsidy
- PSI03 Number of SMEs receiving aid CO02 Productive investment: number of enterprises receiving aid

- h. CO04 Productive investment: number of enterprises receiving non-financial support
- i. CO01 Productive investment: number of enterprises receiving aid
- j. CO05 Productive investment: number of new enterprises being supported

Priority axis 3

- a. PSI20 Number of persons making use of cross-border social services

Article 7 Obligations of subsidy recipient

In accordance with articles 5.2.9 through 5.2.13 of the REES, the granting of a subsidy is subject to the following obligations:

1. The recipient of the subsidy performs the project in accordance with the project plan on which the subsidy was granted, and completes it no later than the moment specified with the granting of the subsidy.
2. In the event of maintenance of investments or jobs created by SMEs, the five-year term referred to in the first paragraph of Article 71 of Regulation (EU) No. 1303/2013 will be reduced to three years.
3. The subsidy recipient will report to the Managing Authority prior to the change of a project for which subsidy is granted, any proposed change pertaining to
 - a. the subsidy recipient
 - b. the activity to be performed or the objectives to be achieved
 - c. the financing of the project, and/or
 - d. the planning or timeline.These changes are subject to the approval of the Managing Authority.
4. Alongside the provisions of the third paragraph, the subsidy recipient will immediately notify the Managing Authority in writing at the moment that it becomes likely that the obligations imposed under the decision for the granting of the subsidy will not be met, or will not be met in a timely manner and/or in full.
5. The subsidy recipient will keep records in such a way so as to allow the costs incurred and paid by the recipient and the revenues to be attributed to the project to be ascertained and specified at all times, in a clear and simple manner, with the condition that in regard to the wage costs an auditable time accounting system must be in place with transparent registration of each individual employee's hours, in accordance with the requirements as set out in the Costs Schedule.
6. The subsidy recipient is obliged to cooperate with all audits considered necessary for the performance of the programme.
7. The managing authority may also impose other obligations on the subsidy, including reporting requirements on the material and financial progress.

Article 8 Grounds for rejection

1. An application may be rejected if:
 - a. the project does not contribute to the objective of the cooperation programme as defined in article 2.
 - b. the subsidy application is not submitted by an applicant as defined in the first paragraph of article 3 and/or does not benefit the beneficiary as defined in the second paragraph of article 3.

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- c. the project does not fall under one of the three priority axes as defined in article 5.
 - d. the project does not meet the general criteria of article 4.
 - e. the subsidy application scores less than 3, as referred to in article 6.
 - f. the subsidy application is not fully received or received outside the period given in article 13.
 - g. the subsidy application pertains to activities oriented towards the continuity of an enterprise or institution.
 - h. the project does not fulfil European regulations on issues such as state aid and/or tendering.
 - i. the total eligible cost of the project amounts to less than €200,000.
 - j. the applicant is an enterprise against which there is an outstanding recovery order as defined in paragraph 4(a) of Article 1 of Regulation (EU) No. 651/2014 of the Commission of 17 June 2014, by which certain categories of aid are, under Articles 107 and 108 of the Treaty, considered to be compatible with the internal market (OJ L 2014, 187).
 - k. the enterprise in question can be considered to be in difficulty as defined in part (c) of the fourth paragraph of Article 1 of the General Block Exemption Regulation.
2. Without prejudice to the provisions of the first paragraph, the managing authority may decide to reject some or all of an application if it is clear that any or all of the intended financing will not be granted by the other financing parties.

Chapter 3 Financial aspects

Article 9 Subsidy ceiling

1. The Monitoring Committee sets a subsidy ceiling per priority axis on the ERDF contribution for the submission period stipulated in article 13 as follows:
 - Priority axis 1: Innovation 2020 10.9 million euros ERDF
 - Priority axis 2: Economy 2020 13.4 million euros ERDF
 - Priority axis 3: Social inclusion and education 8.7 million euros ERDF
2. In the assessment of the subsidy applications, the Monitoring Committee may resolve to increase this budget by an amount released as a result of either previously approved projects failing to go through or a lower budget being set for previous projects.
3. The available amount under the subsidy ceiling of each priority axis is divided between the subsidy applications on the basis of the degree to which the selection criteria as defined in article 6 are met by the individual applications. The Managing Authority will advise the Monitoring Committee on this allocation, and the Monitoring Committee will then make a decision on the allocation of the subsidy ceiling across the subsidy applications. The Managing Authority will adopt the decision of the Monitoring Committee in the decision on the application as referred to in article 14.

Article 10 Amount of subsidy

1. The amount of the ERDF subsidy is a maximum of 50% of the eligible costs.
2. If the applicant applies for less than 50% of the eligible costs as referred to in the first paragraph, then only the subsidy percentage applied for will be granted.
3. Where there is state aid and the activity meets one of the conditions of the second paragraph of article 4, the amount of subsidy granted will only be such that the total of government contributions to the subsidy recipient does not exceed that permitted under European law provisions governing state aid under the General Block Exemption Regulation or what is allowed within the framework of the de minimis regulation.

Article 11 Eligible and ineligible costs

1. Eligible and ineligible costs are governed by the rules and conditions as set out in Regulation (EU) No. 1299/2013, Regulation (EU) No. 1303/2013, and Commission Delegated Regulation (EU) No. 481/2014. For the purposes of the Cooperation Programme, these rules are worked out in further detail in the cost catalogue.
2. In the event the content of the cost catalogue is in conflict with the Regulations referred to in the first paragraph, the Regulations will prevail for the determination of the eligible costs.
3. Where there is state aid granted under application of the General Block Exemption Regulation or another exemption, then only the costs identified in the applicable article of the General Block Exemption Regulation or other exemption on the basis of which the subsidy is granted are eligible for expenditure.

Chapter 4 Application procedure

Article 12 Submission of application

1. A subsidy application must in any event meet the following requirements:
 - a. a subsidy application is submitted to the Managing Authority.
 - b. a subsidy application can only be submitted via the electronic system eMS, using the appropriate application form as established by the Managing Authority (www.interregemr.eu).
 - c. a subsidy application will comprise at least:
 - the fully completed application form.
 - a partnership agreement signed by all members of the cooperative.
 - a state aid self-assessment form.
 - a declaration on the legal status of all members of the cooperative that also evidences that the cooperative does not include any enterprise(s) in difficulty as referred to in part (c) of the fourth paragraph of Article 1 of the General Block Exemption Regulation.

Article 13 Term for submission of application

1. The subsidy application can be submitted as from 7 May 2019, and all components of a subsidy application must have been received by the Managing Authority no later than 4 PM on 11 June 2019.
2. For the date of receipt, the date of receipt of a complete subsidy application in the eMS system is decisive.
3. In the event that the electronic eMS system is not accessible, the submission period may be extended if the cause of the inaccessibility is connected with server problems on the Managing Authority's server. This is subject to the following provisions:
 - a. In the event of inaccessibility between midnight on 7 May 2019 and midnight on 11 June 2019, an extension will only be applied if the system is inaccessible for more than 8 uninterrupted hours.
 - b. In the event of inaccessibility between midnight and 3 PM on 11 June 2019, an extension will only be applied if the system is inaccessible for more than 2 uninterrupted hours.
 - c. In the event of inaccessibility between 3 PM and 4 PM on 11 June 2019, an extension will only be applied if the system is inaccessible for more than 30 minutes.
4. The duration of an extension will in all cases be equal to the duration of the interruption.

Article 14 Decision on an application

In accordance with article 5.2.4 of REES, the Managing Authority will issue the grant letter on a subsidy application within 26 weeks after closing of the submission period.

Article 15 Payment and advances

1. On a payment application submitted by the subsidy recipient for the purpose as described in Article 132 of Regulation (EU) No. 1303/2013, the Managing Authority will extend

- advances on the subsidy amount granted, of up to a maximum of 90% of the subsidy granted.
2. The subsidy recipients must submit a payment application twice per year.
 3. A payment application will comprise at least the declaration of the costs incurred.
 4. The term of payment is governed by Article 132 of Regulation (EU) No. 1303/2013, which means that the payment to the subsidy recipient will be made no later than within 90 days after the submission of the payment application.
 5. For the application of the first paragraph of Article 132 of Regulation (EU) No. 1303/2013, in the event of insufficient availability of resources from the initial and annual pre-financing and interim payments from the ERDF as referred to in the first paragraph of Article 132 of Regulation (EU) No. 1303/2013 upon simultaneous submission of payment applications by subsidy recipients, payment to an SME will take precedence over payment to other subsidy recipients.
 6. Without prejudice to the fifth paragraph, payments on payment applications to SMEs of a higher amount will take precedence over payments to SMEs of a lower amount.

Article 16 Subsidy determination

1. Within the time period specified in the grant letter, the subsidy recipient must submit an application for the determination of the subsidy to the Managing Authority, via the eMS system, using the form specified for the purpose by the Managing Authority.
2. In the application referred to in the first paragraph, the subsidy recipient must demonstrate that:
 - a. the activities for which the subsidy has been granted have been performed.
 - b. the obligations in connection with the subsidy have been met.
3. The following supplementary documentation must be attached to the determination form as referred to in the first paragraph:
 - a. a substantive final report.
 - b. documentation substantiating the reported value or values for the output indicators.
 - c. a financial report.
4. In accordance with article 5.2.15 of REES, the Managing Authority will make a decision on an application for subsidy determination within 26 weeks.

Chapter 5 Final Provisions

Article 17 Transitional system

1. Applications submitted on the basis of the Amending Decree to the Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme (OJ 526, 19 January 2018) and on which no decision has yet been made upon these rules coming into effect will be handled on the basis of the Amending Decree to the Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme (OJ 526, 19 January 2018) as this applied prior to the coming into effect of these Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme 2019-2022.
2. For decisions adopted prior to these rules coming into effect, the clauses of the Amending Decree to the Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme (OJ 526, 19 January 2018) remain in force as they applied prior to these Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme 2019-2022 coming into effect, including for subsequent steps in the subsidy process.

Article 18 Effective date

1. This decision goes into effect on 7 May 2019.
2. These rules expire as from 31 December 2022, with the understanding that they remain applicable to subsidy applications received prior to that date by the Provincial Executive in the capacity of Managing Authority and subsidy decisions made prior to that date, including for subsequent steps in the subsidy process.
3. These rules can be cited as “Detailed subsidy rules, Interreg V-A Euregio Meuse-Rhine programme 2019-2022”.

Explanation to the Detailed Subsidy Rules, Interreg V-A Euregio Meuse-Rhine programme 2019-2022

General, legal framework

Article 125, third paragraph, of Regulation (EU) No. 1303/2013 determines that the Managing Authority will draw up appropriate selection procedures and criteria with regard to the selection of concrete actions. This means that at the European level the drafting of rules for providing subsidies using EFRD funds is delegated to the Managing Authority.

Regulation (EU) No. 1299/2013 applies to programmes focused on European Territorial Cooperation, including the Interreg V-A Euregio Meuse-Rhine programme. In supplement to the general Regulation (EU) no. 1303/2013, the ETC regulation has a number of specific provisions that apply to the Interreg V-A Euregio Meuse-Rhine programme.

Commission Delegated Regulation (EU) No. 481/2014 gives specific rules for European Territorial Cooperation, including the Interreg V-A Euregio Meuse-Rhine programme, with regard to eligibility for subsidy. This delegated regulation provides the framework for the costs that are eligible for subsidy, and under what conditions. The details of this framework are worked out by individual programme; in the case of the EMR programme this is done in the Cost Schedule.

By amendment of 25 June 2016, the Rules of European EA Subsidies (REES) were also declared applicable to the implementation of the Interreg V-A Euregio Meuse-Rhine programme. Particularly relevant to the Cooperation Programme are the clauses of chapter 5 of the REES.

If the assessment of the project by the Managing Authority determines that the project involves state aid, then the project or relevant activities of the project must meet the conditions of the General Block Exemption Regulation (Regulation (EU) No. 651/2014) or the *de minimis* regulation (Regulation (EU) No. 1407/2013), or qualify for another European exemption.

Article-by-article commentary

Article 1 Definitions

Under (f) ERDF

The ERDF is one of the European structural funds pursuing the EU's regional policy with regard to convergence, regional competitive strength and employment, and European territorial cooperation.

Under (g) Cost catalogue

The basis for the rules concerning eligibility of cost is derived from Regulation (EU) No. 1303/2013 and Regulation (EU) No. 1299/2013, and Commission Delegated Regulation (EU) No. 481/2014. On the basis of these rules, the Managing Authority of the Interreg V-A Euregio Meuse-Rhine programme has, in collaboration with the programme partners, drafted a cost catalogue setting out further details of the eligibility rules, including multiple examples. This takes into account differences (including legislative differences) between the three member states in the calculation of various eligible costs. The cost catalogue has been drafted by the

Monitoring Committee and can be consulted on the website of the cooperation programme:
www.interregemr.eu.

Under (I) Output indicators

The cooperation programme has four priority axes and, within each axis, one or more investment priorities. These are worked out in more detail in chapter 2 of the cooperation programme. The application must fit within one of the investment priorities and sub-objectives. For each investment priority, a set of output indicators has been developed. In the subsidy application, you must select and quantify the indicators applicable to your project.

Article 3 Applicant and beneficiary

An applicant is the party applying for the subsidy on behalf of the cooperative. the beneficiary is the legal person that actually receives the subsidy. A beneficiary is assigned a subsidy on the basis of the approved subsidy application. Every beneficiary must (either directly or via the lead partner) report on the substantive and financial progress.

Chapter 4 General subsidy criteria

Also the applications must meet the general subsidy criteria. This will be assessed by the Managing Authority.

Where there is state aid, subsidy can only be provided if the project fall under the General Block Exemption Regulation or meets the conditions of the *de minimis* regulation or another European exemption. The Managing Authority may require supplemental information in order to be able to assess whether there is state aid and if so whether this is permitted under one of these exemptions.

Article 5 Specific sub-areas

The cooperation programme is built around four central (material) priority axes. Each priority axis includes one or more investment priorities prescribed by the European Commission. Specific objectives are then formulated on the basis of these investment priorities. Subsidy applications must fit within one specific objective of the programme. Further information on these priority axes and specific objectives, with a description of the challenge, example actions on expected results, can be found in chapters 1 and 2 of the Cooperation Programme.

Article 6 Selection and priority criteria

In order to assess whether the application meets the composite of the specified criteria, the following sub-aspects are included in this determination:

- a. The project must enhance cross-border cooperation:
 - Does the partnership consist of partners from multiple regions of at least two, and ideally three, member states? If not, is there a clear reason why not?
 - Is the project's work plan built around cross-border activities?
 - Does the project intend to transfer and distribute knowledge and results across the border?
 - Will this project create cross-border networks, consortia or platforms? Will the project create cross-border products, services or tools?
 - Is the added value of cross-border cooperation suitably described?
 - How intensively will partners cooperate in order to produce the intended change?

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- Is the composition of the partnership relevant to the proposed project?
 - Is the partnership capable of producing, and authorized to produce, the desired change?
- b. The project makes a contribution to the objectives and results of the Cooperation Programme:
- How well is the necessity of the project argued?
 - Is the approach selected for the project relevant and effective?
 - Does the project contribute directly to the relevant result and output indicator(s) of the selected specific objective? Does the project contribute to the output indicators on which the current projects have not yet delivered or delivered adequately?
 - Are the selected output indicators relevant?
 - Does the project clearly live up to the requirements of the intended target group(s)?
 - Is the project innovative? Does the project contribute to innovation in the economy or the social structure of the EMR?
 - Is the innovative nature or approach of the project sufficiently detailed, and is it convincing?
 - Are potential synergies with and added value in comparison to similar/previous projects clarified in the application form? For follow-up projects, is the added value clearly demonstrated, specifically via the partnership and/or the theme covered?
 - If partners of the priority cooperation areas are involved in the project, does their participation provide added value to the project and the programme area?
- c. The project is feasible, permanent for the programme area and has added value for other projects in the Cooperation Programme:
- Has the consortium presented a realistic project that can be implemented within the limits in terms of funding and time?
 - Has the long-term sustainability of the project after the project period been adequately demonstrated?
 - Are the intended activities and outputs measurable, realistic and feasible?
 - Is the work plan coherent and realistic in consideration of the budget?
 - Is the project compatible with the EU's horizontal policy measures (sustainable development, equal opportunities and non-discrimination and gender equality)?
 - Are the management arrangements clear, realistic and appropriate (WP management)?
 - Are the communication strategy and project activities sufficiently detailed? Have specific communications objectives been defined? Are specific target groups and communications activities clearly defined for each communications objective? Is the communication strategy sufficiently integrated into the general project strategy? Does it clearly support the achievement of the project objectives? (WP Communication)
 - For projects with investments: how risky is the project? Is there a strategy for risk management and has the partnership identified the primary risks and relevant risk-limiting measures?
- d. The results of the project are proportionate to the budget required for the performance of the project (value for money):
- Is the project effective, efficient and economical in the use of the available resources?
 - Has an adequate portion of the budget been assigned to activities specifically oriented towards cross-border cooperation?

- Is the total budget reasonable in relation to the planned activities/outputs and the project duration? Is the total budget reasonable in relation to the number of partners involved?
- Is the budget allocation sufficiently detailed (items included under the individual budget lines)?
- Are the costs for the Management work package kept within the maximum amount permitted under the project? (max. 10% for < 1.5 million EUR, max. 8% for 1.5-3 million EUR, max. 6% for > 3 million EUR, and no more than EUR 300,000)
- Is a separate work package dedicated to first-level control? Are the costs for first-level control calculated correctly (2% of the budget of the project, excluding FLC) and included under the budget line for external expertise?

Article 9 Subsidy ceiling

The subsidy ceiling is determined by the Managing Authority on the basis of the decision made by the Monitoring Committee in its 24 May 2018 meeting to make all remaining ERDF funds available.

Paragraph 2 offers the Monitoring Committee the option to still approve projects that score positively on the various criteria but for which the ceiling as indicated in article 1 would be insufficient.

The Managing Authority advises the Monitoring Committee on the degree to which the subsidy applications meet the selection criteria. The Monitoring Committee makes a decision on the subsidy applications, and thereby the specific allocation of the available resources.

Article 10 Amount of subsidy

Paragraph 1

The Monitoring Committee only makes a decision on the requested ERDF contribution, not on contributions of any other co-financers.

Paragraph 3

Where there is state aid, the total of public funding (ERDF plus other governmental contributions) may not exceed the maximum as defined in the applicable exemption under which the aid is allowed.

Article 12 Submission of application

An electronic system has been developed for the submission of applications. The system meets the requirements of Regulation (EU) No. 1303/2013, specifically the requirements of Article 122, third paragraph, which requires that the exchange of all information between the subsidy recipient and the Managing Authority, certifying authority and audit authority can be conducted by means of electronic systems for data exchange. Applications can only be accepted if submitted using this system.

Article 15 Payment and advances

Article 132 of Regulation (EU) No. 1303/2013 determines that the Managing Authority must make payment no later than 90 days after the submission of the beneficiary's payment application. This refers to the payment of advances on the subsidy on the basis of the expenses declared by the beneficiary. This term is stipulated subject to the reservation of availability of ERDF funding. If multiple payment applications are submitted simultaneously and the ERDF's available financial resources are insufficient, payment to SMEs takes priority over payment to other subsidy recipients.

The clause is without prejudice to the Managing Authority's prerogative to suspend the payment period for a number of reasons, including lack of information to adequately assess the payment application, in accordance with the second paragraph of Article 132, regulation (EU) No. 1303/2103. This clause is without prejudice to the authorities make payment in less than 90 days, by which prompt payment is an explicit objective of the Dutch government.

Article 16 Subsidy determination

Paragraph 2

Project audits by the audit authority can lead to a lower amount of subsidy being established. If the grant letter is issued by the Managing Authority before the completion of the last audit by the audit authority, this reservation will be communicated clearly to the subsidy recipient.

So resolved in the meeting of the Provincial Executive held on 30 April 2019.
the aforesaid Provincial Executive

the chairman,
Mr T.J.F.M. Bovens

secretary

Mr G.H.E. Derks MPA