

TEMPLATE FOR INTERREG PROGRAMMES

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1. Programme strategy: main development challenges and policy responses

1.1. Programme area

Reference: Article 17(4)(a), Article 17(9)(a)

Interreg Baltic Sea Region covers eleven countries, eight of them EU Member States (Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland and Sweden) and three partner countries (Belarus, Norway and Russia).

The Programme covers an area of around 3.8 million km² with a population of more than 103 million inhabitants. It stretches from central parts of Europe up to its northernmost periphery. The programme area comprises European metropolitan areas such as Berlin, Copenhagen, Helsinki, Oslo, Stockholm, Warsaw and St. Petersburg. Still, major parts of the programme area are counted as rural. Settlement structures in the south are denser. Most rural areas are in close proximity to a city. In the northern, and to some degree also in the eastern part of the region, often, rural regions are 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.

Since 2004, the Baltic Sea has been surrounded mainly by EU Member States. At the same time, the region includes the partner countries Norway, Russia and Belarus.

1.2. A summary of main joint challenges, considering economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other forms of support, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

Reference: Article 17(4)(b), Article 17(9)(b)

The Baltic Sea Region (BSR) is characterized by regional differences. At the same time, the countries and regions share joint challenges. In the past two decades, many of them have successfully been addressed through transnational cooperation. A wide range of networks at national, regional and local level as well as between business, the academic sector, and civil society have long been established. They contribute effectively to the territorial development in the region.

Since 2009, the EU Strategy for the Baltic Sea Region (EUSBSR) has framed cooperation in the area. Policy areas and activities are defined in the accompanying action plan. To a great extent, the policy areas of the EUSBSR are corresponding to strategies and priorities of the partner countries. Interreg Baltic Sea Region has been the most important instrument to finance projects of the strategy. It provided financial support also to the strategy's coordination and communication. Vice versa, the EUSBSR has strengthened the Programme by making the Programme and its projects better visible.

As in previous funding periods, the Programme has carefully been aligned with the EUSBSR and its action plan in order to maximise benefits for the BSR citizens. The Programme will also provide funding to institutional and administrative measures to support governance and implementation of the strategy.

Interreg Baltic Sea Region strongly supports the United Nations Sustainable Development Goals (UN SDG) and targets of the 2030 Agenda for Sustainable Development. Goal 8 (Promote sustained, inclusive and sustainable economic growth), goal 13 (take urgent action to combat climate change and its impacts) as well as goal 14 (conserve, and sustainably use the oceans, seas and marine resources) will be in focus.

The Programme draws upon a large number of existing analyses and strategies as well as on the know-how of experienced pan-Baltic stakeholders and networks. The programme is built on vast experience gained from previous programme periods. The programming process was participative. In 2019, a review of strategic priorities in the BSR was carried out. For the review, relevant pan-Baltic and national documents were systematically screened and analysed. The main findings regarding potential priorities for the Programme 2021-2027 were filtered out. Following the review, a Joint Programming Committee (JPC) was set up. Supported by the Managing Authority and the Joint Secretariat, the JPC selected the priorities for the Programme.

From early 2020, the covid-pandemic has influenced the programming process. The Programme is not designed as an instrument to directly address its impacts. Rather, the programme countries considered the pandemic as an example of major external disturbances. Such an incident puts special demands on public authorities to adjust to changing needs like the use of digital tools.

i) Main joint challenges of the Baltic Sea Region considering economic, social and territorial disparities and joint investment needs

The main joint challenges of the BSR, and the needs to address these challenges are presented in the following. They are linked to the policy objectives, and the specific objectives of the ERDF laid out in Article 2 and Article 4 of draft regulation COM(2018) 372, as well as to the Interreg-specific objectives in Article 14 of the draft regulation COM(2018) 374. The analysis is based on regional and transnational strategies covering the BSR.

The overall programme objective constitutes the umbrella for the Interreg Baltic Sea Region Programme 2021-2027: **‘To put into practice innovative, water-smart and climate-neutral solutions through transnational cooperation for the benefit of the citizens across the Baltic Sea region.’**

The following three elements describe the value statement of the Programme:

Supporting transition: The Programme should create suitable framework conditions in the Baltic Sea region for supporting the transition towards greener and more resilient societies and economies through transnational cooperation. Digitalisation is a central enabler in this transition.

Customer orientation: The Programme should be demand-driven and support public authorities in meeting the needs of their target groups (e.g. companies and communities).

Transfer of knowledge and capacity building: Transfer of knowledge is an important component of transnational activities in all policy objectives. Future projects should also support capacity building to increase public awareness and behaviour-change.

In line with the Common Provision Regulation, the Programme ensures that the principles of gender equality and non-discrimination will be applied.

Following the overall Programme objective and the guiding principles of the value statement, Interreg Baltic Sea Region is structured along four priorities. These include ‘Innovative societies’ (Priority 1), ‘Water-smart societies’ (Priority 2), ‘Climate-neutral societies’ (Priority 3) and ‘Cooperation governance’ (Priority 4). In total, eight specific objectives are addressed in these four priorities. From the EU regulation, the specific objectives were translated to nine programme objectives. The following text is structured along these three levels: priorities, specific objectives and programme objectives.

Priority 1) Innovative societies

Specific objective iv) developing skills for smart specialisation, industrial transition and entrepreneurship

Programme objective 1.1) Resilient economies and communities

Resilience describes the ability to respond to external disturbances such as severe recessions and financial crises, downturns of particular industries, or major health crises. Resilience also refers to a society characterized by strong social cohesion and a shared system of values. Unexpected shocks can have tremendous and persistent effects. It is important for a region’s economies and societies to be able to avoid the unwanted external impacts, withstand them or recover quickly from them. This also implies the ability to detect and monitor potential vulnerabilities. In this regard, a well anchored culture of innovation is of central importance. It is commonly known to effectively support resilience building.

An increasing globalisation brings many positive effects for economies and societies. Equally, it implies a stronger dependency on global developments. These can be positive but, as recent years have shown, they can also pose major threats. This is valid for the BSR as well. To make the BSR even more resilient in the future, adequate framework conditions need to be created to support innovative and creative economic and societal players to cope with external disturbances.

The central role of innovation in resilience building has been mentioned in current European- and pan-Baltic, national and regional analyses and strategies.

In the EUSBSR the objective ‘Increase prosperity’ and the Policy Area ‘Innovation’ point out the importance to further improve the global competitiveness of the BSR. This can be achieved by supporting an enhanced macroregional collaborative ecosystem for innovation, research, SMEs and digitalization. A region’s global competitiveness depends also strongly on the ability to adapt to changing conditions. These are outside the influence of the regional stakeholders. One concrete example, which is mentioned in the EUSBSR’s Action Plan, is the COVID-pandemic. This crisis has made very obvious the still existing challenges of digital transformation in the BSR, and the urgent need to overcome them.

The current analyses and strategies of the countries and regions in the BSR emphasize the need to more effectively tackle upcoming economic and societal challenges. They point out the need to further strengthen the knowledge environment and increase multidisciplinary expertise across borders. Further, the requirement to more effectively manage the digital transition in economy and society is repeatedly highlighted. From the perspective of the regional and national decision-makers, only a more intense stakeholder cooperation in the BSR, and the sharing of experiences across borders and sectors can achieve these goals.

Interreg Baltic Sea Region 2014-2020 did not directly address the concept of building resilience of economies and societies when considering the innovation potential of the region. However, some projects had incorporated elements of resilience building. This concerns in particular sustaining businesses in difficulties, and looking for successors. Additionally, the Programme explored how to model smart specialisation approaches to achieve macro-regional growth, and to sustain the economy in the long-term. In parallel, some projects identified possibilities of local sourcing of goods as a way to strengthen economies and societies. These attempts showcased feasibility of resilience building in a transnational context. The current Programme aims at more systematic approaches. Societal and economic resilience building will be the core of projects’ interventions.

One key aspect in innovative resilience building is reinforcing smart specialisation approaches with a focus on topics in which the BSR is already strong and highly competitive. Further, digitalisation needs to be accelerated to connect actors throughout the BSR, and to give quick and flexible responses to unexpected events. Resilience can also imply to better balance between global value and supply chains, and local and regional production patterns and services. Finally, building resilience can strengthen the regional identity based on the cultural diversity and heritage, and the common European values.

The described challenges and needs will be addressed in the Programme in Priority 1 ‘Innovative societies’ and the Specific Objective iv) ‘Developing skills for smart specialisation, industrial transition and entrepreneurship’ which is translated to the Programme objective 1.1) ‘Resilient economies and communities.

Specific objective i) Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Programme objective 1.2) Responsive public services

Public services are understood as services intended to serve all members of the community, e.g. health care, urban planning or social services.

Responsive public services will imply more systemic, cross-cutting and innovative approaches to deliver public services. Digital tools and environmentally-friendly (‘green’) solutions will be used more and more. The aim is to increase efficiency and adapt public services specifically to the needs of citizens in different territories.

Current European- and pan-Baltic, national and regional analyses and strategies also refer to these challenges.

The European Green Deal highlighted the need to develop new and innovative solutions and services in all sectors as a key success factor. This explicitly implies the public sector. For example, the public sector can be a forerunner of applying green solutions in public procurement.

In the EUSBSR the two objectives ‘Increase Prosperity’ and ‘Connect the Region’ address the aspect of more innovative and responsive public services. The Policy area ‘Innovation’ points out the increased application of digital technologies and more innovative processes in public services delivery for tackling societal challenges.

In the context of public service delivery, many regions and countries in the BSR underline the importance to effectively manage the digital transition. From the perspective of regional and national decision-makers, this can only be achieved through effective transnational knowledge transfer and collaboration between public authorities in the different parts of the BSR. Municipalities in different parts of the BSR face similar challenges and should thus share ideas, and set up networks and platforms for joint learning. This could help to develop better solutions in public service delivery in shorter time.

Interreg Baltic Sea Region 2014-2020 did not explicitly address public service delivery. Still, several projects across different objectives had picked up the topic. The Programme particularly supported introducing innovative service offers for health and well-being. It created transport services designed especially for the needs of rural areas affected by demographic change. Other projects targeted specific vulnerable groups to deliver better social services. One example was to adjust public spaces for those groups. To summarize, the Programme 2014-2020 paved the way for “greener” solutions, created opportunities for business and whenever appropriate, cut across different sectors.

The BSR needs to respond more effectively to the diverse and often quickly emerging societal challenges. Service delivery in the public domain needs to be reconsidered. It should be seen as a field with great potential for innovation. This can be achieved by developing unconventional and sustainable ways of service delivery. These include digital solutions which serve the specific needs of citizens in regions with different territorial and demographic developments. Another factor will be the increased engagement of citizens in transforming public services towards self-organisation.

These challenges and needs will be addressed in the Programme in Priority 1 ‘Innovative societies’ and the Specific Objective i) ‘Developing and enhancing research and innovation capacities and the uptake of advanced technologies’ which is translated to the Programme objective 1.2) ‘Responsive public services.’

Priority 2) Water-smart societies

Specific objective v) Promoting access to water and sustainable water management

Under this specific objective two programme objectives are defined. Programme objective 2.1) focuses on sustainable water management whereas Programme objective 2.2) addresses the topic of blue economy.

Programme objective 2.1) Sustainable waters

Sustainable water management describes activities to improve water quality and reduce water pollution. It further includes water management practices and initiatives to increase efficiency of water use.

Water is a fundamental resource for the BSR. It requires particular attention, as also stated in the Helsinki Commission's (HELCOM) Baltic Sea Action Plan. Water management in the region has been improved in recent years. Many solutions have been developed and implemented across different sectors. However, the environmental state of the Baltic Sea and inland waters is still endangered. Growing effects of climate change on the waters are observed, for example, increasing occurrences of storms, floods and droughts. There is a need to stronger coordinate water management in the region. More effective implementation of actions across the whole region is required to demonstrate an impact.

This challenge has been identified as highly relevant in current European- and pan-Baltic, national and regional analyses and strategies.

The European Green Deal points out the need to more effectively reduce negative impacts on ecosystems and pay greater attention to nature-based solutions, including healthy and resilient seas and inland waters.

The European Green Deal highlights the EUSBSR Objective 'Save the Sea', targeting clean ocean and inland waters as an essential element for the future of the region. "Saving the Sea" requires continued and intensified transnational cooperation.

Further, national and regional analyses deplore the decreasing water quality and increasing water pollution (e.g. from agriculture, aquaculture and forestry) throughout the BSR. National and regional strategies urge for a common BSR approach, and promote transnational capacity building for authorities, industries and local communities in the BSR. The objective is to prevent water pollution from discharges of nutrients and hazardous substances including marine litter. This proves that countries around the Baltic Sea have already placed high on their political agenda a more coordinated transnational approach towards protection of the sea, coast and inland waters.

Sustainable water management has always been one of the core concerns of Interreg Baltic Sea Region. Numerous projects addressed the topic in the period 2014-2020. The Programme supported local and regional authorities in building up competences to prevent water pollution. Actions included developing decision support tools and action plans on waste and storm water management in urban and rural areas, agri-environmental measures for farms, in forests and peatlands as well as administrative procedures on oil spill response. Pilot investments showcased how the application of new technologies supported water protection. New ways of treating manure and sludge on farms, and improving municipal and industrial water treatment in cities and rural areas were showcased. Authorities and business worked together to decrease discharges of hazardous substances in the sea, manage underwater munitions, and remove marine litter. In urban areas, small businesses and households were taught to avoid hazardous substances in their daily consumption.

Sustainable water management is still high on the agenda in the BSR. New challenges emerge due to climate change. Building capacity of public authorities to reduce emissions of nutrients and hazardous substances remains an effective measure to combat pollution. The BSR can build on the achievements of recent years, strengthen implementation, and effectively support positive developments by testing new solutions. Additionally, new approaches and instruments have to be made available on national, regional and local level throughout the BSR.

Programme objective 2.2) Blue economy

Blue economy describes a joint approach towards sustainable economic growth and a healthy marine environment. By promoting innovative businesses, water resources can be used more efficiently. Blue economy bears great potential for important sectors in the BSR such as shipping, biotechnology, fishery and coastal and maritime tourism. Here, the BSR is in a privileged position: Established sectors of blue

economy are already strong in the BSR. Highly competitive and innovative research and business sectors combined with strong cooperation networks already exist. They are supplemented by other sectors that are remarkably progressing. These are assets for further strengthening the blue economy in the BSR. In parallel, within HELCOM, countries have agreed to promote environmentally sustainable maritime activities.

For the EU as a whole, the EU Commission underlined in the Green Deal that it is important to build up a sustainable blue economy for ‘alleviating the multiple demands on the EU’s [...] resources and tackling climate change’. Further in the text, the special potential of aquatic and marine resources is pointed out. Earlier to the Green Deal, the EU had adopted the ‘Sustainable Blue Growth Agenda for the Baltic Sea Region’ (in 2014).

The EUSBSR Objectives ‘Save the Sea’ and ‘Connect the Region’ provide several touch points to blue economy. They include the sustainable use of water and marine resources as well as clean shipping and the joint use of sea space. Continued and intensified transnational cooperation are pre-requisites to build upon blue economy as a constitutional element of the future of the region.

All countries in the BSR promote blue economy as one major driver for sustainable development. Specifically, strengthening a common Baltic approach for maritime spatial planning and promoting transnational capacity building for authorities, industries and local communities in the BSR are repeatedly mentioned. According to the strategies, the sustainable use of water, sea traffic management as well as preventing illegal discharges from ships will be in the focus in the upcoming years.

Blue economy had been one of the Programme’s thematic focus in the period 2014-2020. The projects addressed various aspects of both sustainable blue growth, and maritime spatial planning. The Programme supported biotechnology, aquaculture, fishery and tourism businesses in developing new products from marine resources, with a view to advancing value chains in the region. The Programme also helped regional and national authorities to do a better maritime spatial planning, and to investigate how to jointly use the sea space and coastal areas by several sectors. In addition, projects worked with the shipping sector and developed solutions to make it more sustainable and cleaner. This was done, for example, by developing solutions for reducing invasive species from entry to the Baltic Sea. Other projects focussed on increasing energy efficiency at cruise terminals, reducing air emissions from ships, optimising their routes, and reducing fuel consumption.

Investing in blue economy is a good idea considering its importance and its future potential for the region. Analyses and strategies on EU, national and regional level point out how transnational coordination and cooperation can help to make efficient joint use of the sea and inland waters, and to open up new business opportunities. Sustainable blue growth needs intensified cross-sectoral and multi-stakeholder approaches to trigger investments in new, marine-based products and services. Additionally, countries around the Baltic Sea need to better align maritime spatial planning, sea traffic management and joint use of sea and coastal space.

The described challenges and needs will be addressed in the Programme in Priority 2 ‘Water-smart societies’ and the Specific Objective v) ‘Promoting access to water and sustainable water management’ which is translated to the Programme objectives 2.1) ‘Sustainable waters’ and 2.2) ‘Blue economy’.

Priority 3: Climate-neutral societies

Specific Objective iv) Promoting the transition to a circular and resource efficient economy

Programme objective 3.1) Circular economy

Circular economy describes a systemic and holistic approach regarding the use, recycling and re-use of resources. While it is often associated with the waste sector, the concept of circular economy goes far beyond. It includes an integrated approach to water, energy, transport and land use. Circular economy calls for raised awareness, new business models, behavioural change, and integrated planning. It addresses digitalisation to achieve greater resource efficiency in the economy. Expanding circular economy can have a valuable impact of mitigating climate change.

According to the OECD, global consumption of materials such as biomass, fossil fuels, metals and minerals is expected to double in the next forty years. In parallel, annual waste generation is projected to increase significantly. Half of total greenhouse gas emissions come from resource extraction and processing. Thus, a more efficient use of resources bears great potential to lower the emissions. As of today, circular use of resources is still the exception, but not the rule.

The EU Commission has committed themselves to strongly support circular economy as one key factor of the European Green Deal. In 2020, the Commission launched the ‘Circular Economy Action Plan’. It sets out initiatives along the entire life cycle of products. Circular thinking starts with the design of products, promotes circular processes, and targets sustainable consumption. The objective is to keep the resources used in the EU economy for as long as possible. Additionally, the Action Plan introduces legislative and non-legislative measures targeting areas where measures at the EU level will bring real added value.

The updated EUSBSR Action Plan 2020 clearly addresses the need to change to a circular economy. Specifically, in the Action Plan, it is planned to ‘strengthen multiple use of resources through cross-cutting and cross-sectorial approaches to release potential and accelerate the development of a sustainable circular (bio)economy’.

In line with the EU level, the countries in the BSR identified the potential of circular economy. They do not only look at the economic benefits but also at the opportunities to combat climate change. Many national and regional analyses and strategies express a clear commitment to strengthen circular economy.

Circular economy gained prominence only in recent years. Still, several projects across different objectives of Interreg Baltic Sea Region 2014-2020 have already addressed it. Project partnerships supported regional stakeholders in promoting circularity. They helped translate national and regional smart specialisation strategies into practical approaches for the regions. Additionally, the Programme promoted public procurement as a means to create demand for circular products and services, and offered support to businesses to create such offers. In parallel, some projects advanced circularity in their sectors e.g. reusing specific waste, or offering solutions supporting circularity in transport. These first attempts showed opportunities as well as some limitations of circularity in the BSR.

For over a decade, countries in the BSR have slowly been transforming their economies towards establishing more circular business models driven by the need to manage resources more efficiently and more ecologically. Some countries can be seen as forerunners of circular economy. However, for many countries there is still a long way to go.

Looking at the potential of circular economy in the BSR as a means to combat climate change and create future-oriented economic value chains, transnational collaboration will be pivotal for progress. Knowledge transfer across different countries, regions and stakeholders will facilitate the development. Administrative or legal barriers need to be removed. Designing policies that boost circular approaches need to be established. Circularity should be integrated in urban and regional planning processes. To gain support from relevant groups, people need to be better aware and know more about the potential and opportunities of circular economy. This does not only concern citizens but also the business

community. By changing behaviour, both groups can contribute significantly to the shift towards a circular economy.

The described challenges and needs will be addressed in the Programme in Priority 3 ‘Climate-neutral societies’ and the Specific Objective vi) ‘Promoting the transition to a circular and resource efficient economy’ and is translated to the Programme objective 3.1) ‘Circular economy’.

Specific objective i) Promoting energy efficiency and reducing greenhouse gas emissions

Programme objective 3.2) Energy transition

Establishing low-carbon energy systems means to reduce energy consumption and greenhouse gas emissions by increasing energy efficiency and the use of renewable energy sources.

Looking at the level of energy consumption, the use of renewable energy and the reduction of emission of greenhouse we get to a mixed picture in the BSR. Since 1990, the overall energy consumption slightly decreased. Both, households and the industrial sector contributed. However, the development notably varies in different countries. The share of fossil energy decreased, and there is a trend towards a rising share of renewable energy. Nevertheless, the EU goals towards reduced greenhouse gas emissions and climate neutral energy systems have not yet been reached. Considering the ongoing climate change, the need to reduce the emissions became even more pressing.

Current European- and pan-Baltic, national and regional analyses and strategies identify energy transition as highly relevant.

The European Green Deal highlights several aspects on the transition of energy systems, and emphasizes the objective of more decarbonised energy systems in the EU. The Green Deal urges for the transition towards clean energy production, increased energy efficiency and the deployment of smart and innovative technologies and infrastructures (e.g. smart grids, sector integration).

The EUSBSR addresses more sustainable energy production and consumption as well. The objective ‘Connect the Region’ wishes to achieve an overall reduction of greenhouse gas emissions. Calls for action include a more efficient energy distribution, the increased use of clean renewable energies, and a reduced demand for energy.

Countries and regions in the BSR urge for a transition towards decarbonised energy systems. Several national and regional analyses stress the need to produce, and store energy in a modern and climate neutral way.

Interreg Baltic Sea Region 2014-2020 prominently addressed energy efficiency and renewable energy production. Projects supported public authorities, businesses and communities in testing and applying solutions for renewable energy production, and distributing these concepts to the local and regional levels. The projects worked with various biological resources available in the region: biomass, wind and thermal energy. Several tools were developed, for example, to help authorities decide on the region’s potential to generate energy from renewable sources, as well as analyse feasibility and profitability of investments in technical infrastructure, such as transmission grids. In addition, the Programme supported projects working with energy efficiency in cities. Examples include developing smart solutions for lighting, or enhancing energy efficiency in public and private building stock. Pilot investments helped showcase these solutions in practice, for example, installations in buildings were tested to monitor energy consumption.

This short overview proves that steps taken towards low-carbon energy systems yielded positive results, and should serve as a model for others. Yet further and reinforced transnational action is needed. Only

by combining expertise and competences from all parts of the BSR, urgently needed reductions in greenhouse gas emissions can be achieved. New solutions for producing, storing and utilising renewable energy for all sectors are required. More energy efficiency and energy saving initiatives must find a way to be implemented. Enhanced capacities of public authorities are indispensable. They are key enablers for decarbonising energy systems through future-oriented policies and regulations, development, sharing and introduction of good practices in this field as well as mobilising citizens and industry.

The described challenges and needs will be addressed in the Programme in Priority 3 ‘Climate-neutral societies’ and the Specific Objective i) ‘Promoting energy efficiency and reducing greenhouse gas emissions’ which is translated to the Programme objective 3.2) ‘Energy transition’.

Specific objective (viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

Programme objective 3.3) Smart green mobility

‘Green and intelligent transport and mobility’ describes the transition towards zero greenhouse gas emissions, and towards more integrated transport modes and systems. To achieve that, digital tools need to be developed and applied more intensely. Public authorities need to be much better prepared. In addition, respective companies and citizens should be better aware. Eventually, they are the main users of innovative transport and mobility services.

For the BSR countries statistical data indicate an increasing mobility demand in recent years. Freight and passenger mobility have steadily been increasing, while there is a widely acknowledged need to reduce pollution from traffic.

Green and intelligent transport features a prominent position in European, pan-Baltic as well as national and regional analyses and strategies throughout the BSR.

The European Green Deal as well as the “Sustainable and Smart Mobility Strategy” point out that the transport sector urgently needs to reduce greenhouse gas emissions. The shift towards multimodal systems is mentioned as a key factor. Furthermore, alternative fuels and more integrated transport systems and services require an advanced infrastructure as a prerequisite to attract more potential users to green transport and mobility offerings.

The EUSBSR also stresses the need to increase efficiency, and to minimise the environmental impact of mobility systems. For greening transport and mobility systems, it will not be enough to rely on national and regional actions. Cross-border cooperation only cannot solve the challenge of negative impacts of transport and mobility. Instead, in the BSR a wider, transnational cooperation is required.

In line with the European Green Deal and the EUSBSR, the countries and regions emphasize the need to shift towards more sustainable transport modes for passengers and freight. National and regional analyses and strategies point out that a successful shift can only be realized by close cooperation between countries and regions. The macro-regional perspective is required for initiating and realizing change.

Interreg Baltic Sea Region 2014-2020 paid particular attention to support the greening of mobility systems. Both urban and rural areas play a crucial role on the way towards a low carbon society. One of the specific objectives focused on urban areas. Here, projects helped cities adopt their infrastructure to more environmentally friendly solutions. The objective was to create multimodal transport systems and to change the transport habits of citizens. Projects also promoted e-mobility solutions, and facilitated the provision of clean fuels.

Interreg Baltic Sea Region 2021-2027 has a good basis to build on existing results and combine them with digitalization. Looking at the macroregional dimension, the Programme can become a driver of green and intelligent mobility solutions. Public, private and research sectors need to work together to create and advance green mobility. Compared to the previous period, the Programme 2021-2027 will focus exclusively on supporting green and intelligent transport and mobility solutions. **Together with urban transport carbon reduction strategies, innovations in green rural mobility are urgently needed to help authorities meet ambitious carbon reduction targets. This is particularly true for the BSR where major parts are characterized as rural.** In addition, BSR countries need to invest in innovative technologies. The list includes renewable fuels and e-mobility as well as smart grid services. In addition, constructing the necessary infrastructure, including terminals and nodes require funding. At macroregional level, systems across borders and along transport corridors, and between different modes of transport have to be harmonized. BSR countries need to agree on common standards. Finally, public authorities will be important drivers of change. They need to be enabled to understand and support digital solutions and tools.

The described challenges and needs will be addressed in the Programme in Priority 3 ‘Climate-neutral societies’ and the Specific Objective (viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy which is translated to the Programme objective 3.3) ‘Smart green transport.’

Priority 4) Cooperation governance

Specific objective vi) Other actions to support better cooperation governance

Programme objective 4.1) Project platforms

In the EU and beyond, the BSR is regarded as a the front-runner of cooperation across borders. Interreg Baltic Sea Region, covering the whole region, boasts multiple achievements in several thematic areas. There are also other EU funding sources in the region: Interreg cross-border and interregional funds for regional development, HORIZON and BONUS (future BANOS) for research and innovation, as well as LIFE for environment and climate action. There are programmes and initiatives supporting transport and maritime sectors. Special funds support cooperation between EU Member States and neighbouring countries in the region. Projects funded by the EU and the partner countries cover the overall area, not only the EU part. They produce useful results for their stakeholders, like public authorities at local, regional and national level, specialised agencies, pan-Baltic organisations, NGOs, industry, and citizens.

It is, however, not an easy task to orientate oneself in these multiple results already achieved, let it be funded by Interreg Baltic Sea Region, or by other programmes. That is why public authorities and other target groups of the Programme need assistance when searching for results in one particular thematic area. The topic might have been addressed by different EU funding programmes. There is big potential to identify complementarities and create synergies of results.

In the period 2014-2020, Interreg Baltic Sea Region introduced a new instrument called ‘project platforms’. The concept included linking projects from the Programme with projects from other programmes in one thematic area, and bundling the results they produced. Project platforms facilitated access to new knowledge created in many projects from various EU funding sources in a streamlined way. They helped end users navigate more target-oriented when looking for results in a specific thematic area. Platforms also created synergies across EU funds. They made sure that project results achieved a broader impact. Both policy-makers and practitioners collaborated in several thematic platforms funded by Interreg Baltic Sea Region 2014-2020. Altogether nine project platforms were established. They

covered the topics of smart specialisation, waste and storm water management, nutrient and water management in agriculture, energy efficiency, blue growth and maritime spatial planning, interoperability of transport modes, maritime safety and clean shipping. In addition to Interreg BSR projects, platforms included partners from Interreg Central Baltic, South Baltic, Interreg Europe, BONUS, and Horizon 2020. The platforms cooperated successfully with the coordinators of the EUSBSR policy areas as well as with pan-Baltic organisations, like HELCOM, the Conference of Peripheral and Maritime Regions Baltic Sea Commission, the Union of the Baltic Cities and the Council of the Baltic Sea States.

The Programme 2021-2027 will continue supporting public authorities and other organisations in getting easier access to multiple results of different EU funding programmes. Future project platforms will be designed in line with the Programme's thematic priorities. More projects from other programmes including projects funded by the partner countries are expected to participate. This will result into even stronger synergies among different EU funding sources in the region. Like any new projects, also platforms are expected to better respond to the needs of the public authorities and other target groups of the Programme. Setting up communication channels and learning tools to reach out to these organisations will be crucial. Organisations should be in a position to integrate results from multiple projects into their daily work. Policy makers will be addressed in a coordinated way.

The described challenges and needs will be addressed in Programme in Priority 4 'Cooperation governance' under Interreg-specific objective 'A better cooperation governance' and the Specific action vi) 'Other actions to support better cooperation governance' which is translated to the Programme objective 4.1) 'Project platforms'.

Specific objective iv) Enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies

Programme objective 4.2) Macro-regional governance

The EU Strategy for the Baltic Sea Region (EUSBSR) provides a unique platform for cooperation and coordination on priorities important for the countries in the region. The EUSBSR focuses on challenges and opportunities which are more efficiently addressed when working in a coordinated manner across countries within the region. In order to reach this, it engages a multitude of different organisations in planning and realising actions across the whole region. It also facilitates the work on common priorities with the partner countries in the region. Implementing the EUSBSR Action Plan requires efficient coordination among institutions responsible for these actions and active engagement of other stakeholders. It remains a challenge of the EUSBSR to mobilise different funding sources for the implementation of the Strategy.

A well-functioning governance structure is crucial for the implementation of the Strategy. The central elements of the EUSBSR governance structure are National Coordinators (NCs) and coordinators of the EUSBSR policy area (PACs), supported by their steering groups. The group of NCs is a core decision-making body which task is to provide leadership, strategic guidance and coordination as well as ensure capacity building, communication, monitoring and evaluation of the EUSBSR. PACs manage, coordinate and develop their policy areas, monitor and report to steering groups on the PA progress and ensure communication. The Annual Forums of the Strategy have served as a meeting place for a large number of participants. Governments, international organisations, NGOs, universities, local and regional administrations, business and media met to debate selected topics of the Strategy.

Over the last years, there was progress regarding the governance and administrative capacity of the EUSBSR. However, it turned out that the governance needs to be further improved to strengthen its efficiency. The revision of the Action Plan in 2020 addressed the governance challenges. In addition to

sharpening the existing structures, establishing a Baltic Sea Strategy Point was proposed. It should consolidate important functions of communication and capacity building as well as provide administrative and technical support for the EUSBSR management, development and implementation.

Funding for implementing and governing the EUSBSR is intended to come from existing financial instruments, in particularly EU funding programmes. Organisations taking over a PAC role are expected to allocate own resources for this task, complemented with financial support from Interreg Baltic Sea Region. Additional funds from the Programme in period 2014-2020 helped PACs to successfully initiate and drive policy discussions, implement essential networking activities, for example, organise steering committees as well as meetings with civil society groups, conferences, training sessions, and surveys. The Programme supported the Annual Forums of the Strategy with 85% co-funding. In addition, the Programme granted funds for communication activities and capacity building of the EUSBSR. In many actions, the EUSBSR stakeholders established cooperation with the partner countries to work on common priorities.

In the 2021-2027 period, Interreg Baltic Sea Region continues supporting the implementation of the Strategy, including its governance in line with the revised Action Plan. However, the Programme budget will be limited. It cannot cover all needs of the EUSBSR. Therefore, it is important to select specific elements of the EUSBSR governance that Programme funds should support. In close cooperation with the NCs the programme countries agreed to focus the Programme funding to the following elements of the governance: core functions of the Baltic Sea Strategy Point, support to organisation of Strategy Forums, and funding to PACs for their coordination tasks. PACs will receive further support to better engage stakeholders and for identifying funding sources for transnational development processes and projects in their field.

In the future, cooperation with the partner countries should be encouraged in all governance actions. There is a need for exploiting synergies between the EUSBSR and the strategies of the partner countries, At the same time, work on common priorities needs to be firmly anchored.

The described challenges and needs will be addressed in Programme in Priority 4 'Cooperation governance' under Interreg-specific objective 'A better cooperation governance' and the action iv) 'Enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies' which is translated to the Programme objective 4.2) 'Macro-regional governance'.

ii) Complementarity and synergies with other funding programmes and instruments

Programme authorities explored complementarities and synergies with other funding programmes and instruments via thematic networks and cooperation platforms, often organised by Interact. The strongest links exist with authorities of the Interreg programmes in the Baltic Sea region, and with Interreg Central Europe and North Sea Region. The managing authorities and joint secretariats will scrutinize project applications to discover potentials for collaboration, and to avoid double financing. Furthermore, the Programme authorities are actively cooperating with the marine research programme BANOS (former BONUS). National and regional programmes are appropriate funding sources to roll out Interreg project results with good potential for further uptake in a specific country or region.

Thematically, there are similarities between transnational and cross-border programmes. Cross-border programmes are bi-lateral by nature and cover a limited programme area. Their projects will substantially differ from the ones in Interreg Baltic Sea Region. Yet, projects with similar thematic focus will be encouraged to exploit synergies.

Furthermore, project platforms are a central tool of the Programme to support cooperation among project partners from different programmes and to create synergies.

iii) Lessons-learnt from past experience

Interreg Baltic Sea Region 2014-2020 was evaluated internally and externally. In 2018, an external mid-term evaluation on the impacts, on efficiency and on selected aspects of Programme implementation was carried out. All specific objectives were thoroughly analysed. Additionally, internal operational evaluations were carried out every year since 2016. Overall, the results of the evaluations confirmed the effective and efficient implementation of Interreg Baltic Sea Region. The evaluators highlighted the considerable contributions to its specific objectives. They further underlined that the Programme objectives were consequently aligned to the objectives of the EUSBSR.

The results from the evaluations were considered in the programming of Interreg Baltic Sea Region 2021-2027. Particularly effective funding approaches have been developed further. New instruments will build upon achievements of the 2014-2020 period.

1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure

Reference: Article 17(4)(c)

Table 1 (to be filled in/included in the next steps)

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection
PO 1	iv)	1	<p><u>Challenges in BSR</u></p> <ul style="list-style-type: none"> • Increasing globalisation, relevant for the BSR as for other regions, implies a stronger dependency on global and transnational developments • Increasing occurrences of unexpected external disturbances such as severe recessions and financial crises, downturns of particular industries or major health crises <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Further strengthen the existing knowledge base and increase multidisciplinary transfer of expertise across borders • Building upon existing smart specialisation approaches to achieve higher macro-regional

			<p>growth and sustain the economy in the BSR long-term</p> <ul style="list-style-type: none"> • More effectively untap the potential of digitalisation in public service delivery • Further increase innovativeness in the BSR: Strengthen adequate framework conditions for developing and up-taking innovative and creative solutions • Increase adaptability of the BSR to unforeseen developments: Avoid unwanted impacts from external disturbances, withstand them or recover quickly from them • Increase ability and improve facilities to monitor potential vulnerabilities • Find the right balance between reducing dependency and connecting to global supply and value chains • Further strengthen the regional identity in BSR based on the cultural diversity and heritage and the common European values
PO 1	i)	1	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • public sector has to adapt the rapidly changing requirements of transition in societies • Traditional mechanisms of developing solutions in the public domain do not sufficiently address the growing complexity of societal challenges <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Improve organisational set-ups and processes to respond to public needs and to deliver less bureaucratic and more cost-efficient public services • Develop more systematic public responses that cut across sectors and borders • Untap the innovation potential of public service delivery • Explore new sustainable, innovative and digital services • Make examples of very well-functioning public sector institutions a forerunner e.g. by developing and applying agile processes, green solutions in public procurement • Share ideas and set up networks and platforms for joint learning across the BSR to develop

			<p>better solutions in public service delivery in shorter time</p> <ul style="list-style-type: none"> • Stronger incorporate perspectives of users in developing and creating solutions • Create needs-based services that reflect territorial specificities • Increase the engagement of citizens in transforming public services towards self-organisation
PO 2	v)	2	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • Environmental state of the Baltic Sea and inland waters is still endangered • Growing negative effects of climate change on the waters • Creating sustainable economic growth and secure a healthy marine environment at the same time <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Improve the state of water in the region and make its management more sustainable (includes sea, coastal waters, inland waters and groundwaters) • Further strengthen the implementation and effectively support recent positive developments by testing new solutions to emerging challenges in the field of water management and blue economy • Effectively build upon strongholds and emerging sectors in blue economy in the BSR through supporting highly competitive and innovative research and businesses initiatives • Secure a healthy ecosystem in the sea and inland water bodies • Prevent and reduce water pollution • Ensure a sustainable use of fresh and sea waters as well as marine resources • Adapt water management practices to changing climate conditions and build upon good practices • Stronger coordinate water management across borders and sectors • More effectively mitigate potential conflicts among users of the sea space and facilitate its joint use

PO 2	vi)	3	<p><u>Challenges in the BSR:</u></p> <ul style="list-style-type: none"> • Global consumption of materials such as biomass, fossil fuels, metals and minerals is expected to double in the next forty years • Annual waste generation is projected to increase significantly • Half of total greenhouse gas emissions come from resource extraction and processing • Ensuring steady growth of the Baltic Sea region without increasing pressure on the environment or communities <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Keep the economies in the BSR growing without hampering the environment and inducing further climate change • Transfer the knowledge from forerunner countries in the BSR to other parts of the region • Build upon the ongoing initiatives and developments in transforming the economies towards circularity: Use resources more efficiently, keep products and materials in use for as long as possible • Build an enabling environment and raise awareness for circular opportunities, for businesses as well as the society in all parts of the BSR • Redefine smart specialisation approaches to advance the shift towards circularity • Establish a systemic and holistic approach cutting across different sectors • Effectively untap the potential of digitalisation as a means of achieving a resource-efficient economy
PO 2	i)	3	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • Ongoing climate change requires further reduction of greenhouse gas emissions • EU goals regarding energy consumptions, use of renewable energy and reduction of greenhouse gases have not yet been reached • CO2-emissions from different sectors are still substantial • Energy consumption is significant

			<p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Support the positive trend towards a rising share of renewable energy in the BSR • Strengthen the modern and climate neutral energy production and storage in the BSR • Increase the energy efficiency in industrial production processes as well as in public and private building stock • Increase renewable energy production from locally available resources • Adapt and update policies and regulations as well as coordinate plans and the application of solutions across borders • Mobilise industry and citizens to apply energy solutions for climate neutrality
PO 2	viii)	3	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • Steady increase of freight and passenger mobility in the Baltic Sea Region in recent years • Ongoing climate change requires further reduction of greenhouse gas emissions • Ensuring mobility while reducing pollution from transport <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Build upon ongoing initiatives for a transformation towards a low carbon society by reducing greenhouse gas emissions from the transport sector • Create effective multimodal transport systems • Increase efficiency of mobility solutions by using digital solutions • Further foster e-mobility solutions and deployment of clean fuels • Intensify efforts to develop innovative technologies for renewable fuels as well as for e-mobility, smart grid services and the infrastructure needed • Mobilise transport companies and citizens to actively use green and intelligent mobility solutions • Establish a green and well-functioning cross-border mobility system

			<ul style="list-style-type: none"> • Enhance the capacity of public authorities in urban and regional planning with regard to green and intelligent mobility solutions
ISO 1	vi)	4	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • Difficulty to find solutions produced by different projects in Interreg Baltic Sea Region and other programmes and effectively make use of them • Results of multiple projects from different EU and partner countries' funding sources in the Baltic Sea Region poorly coordinated <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Build upon the position of BSR as one of the front-runners of transnational cooperation in the EU and beyond • Identify and uncover complementarities and make effective use of synergies across EU funds in the BSR • Strengthen communication between stakeholders of different EU funds • Bring the results of various projects funded by the EU and partner countries to stakeholders in the BSR in an even, more structured way • Help public authorities and other organisations access project results more easily • Communicate and transfer project results to broader target groups
ISO 1	iv)	4	<p><u>Challenges in BSR:</u></p> <ul style="list-style-type: none"> • Different priorities and competences of multiple organisations involved in planning and realising actions of the EUSBSR across the whole region • Complex coordination among institutions responsible for facilitating implementation of the EUSBSR Action Plan • Different level of engagement of regional stakeholders in the EUSBSR implementation <p><u>Opportunities and needs addressed by the specific objective:</u></p> <ul style="list-style-type: none"> • Build upon progress made in recent years regarding governance and administrative capacity of the EUSBSR

			<ul style="list-style-type: none"> • Even more efficient coordination of the planning and implementation of the EUSBSR • More targeted information to regional and EU stakeholders about the progress and achievements of the EUSBSR Action Plan • Enhanced cooperation with the partner countries to ensure synergies between the EUSBSR and the strategies of the partner countries • Increased administrative, communication and capacity building assistance for relevant stakeholders • Improved administrative and technical support for the EUSBSR management, development and implementation • Stronger engagement of politicians, different levels of governance and civil society
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2. Priorities [300]

Reference: Article 17(4)(d) and (e)

2.1. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

1. Innovative societies

This is a priority pursuant to a transfer under Article 17(3)

2.1.1. Specific objective (iv) developing skills for smart specialisation, industrial transition and entrepreneurship

Reference: Article 17(4)(e)

2.1.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 1.1 Resilient economies and communities

Introduction to actions

Innovative and resilient economies and societies are necessary for the long-term prosperity of the Baltic Sea region. In this objective, the Programme supports actions that make both economies and societies more resilient. Resilience is understood as the ability to respond to external disturbances such as severe recessions and financial crises, downturns of particular industries or major health crises. Resilience also refers to a society characterised by strong social cohesion and a shared system of values. As unexpected shocks can create tremendous and persistent damage to the region, the Programme encourages actions

that help to avoid unwanted external impacts, withstand them or recover quickly from them. This also implies being able to monitor potential vulnerabilities. Building BSR resilience is understood as part of European efforts to achieve higher level of self-sufficiency in the critical sectors and strengthening identity based on common European values, culture and heritage.

Since the Baltic Sea region increasingly needs to cope with interlinked challenges, the Programme encourages experimentation, “thinking outside the box” and working across different sectors to find suitable solutions. The solutions developed within this objective need to contribute to increasing innovativeness of the region. Wherever appropriate, the actions should consider uneven territorial developments, e.g. different effects of a disturbance on the urban and rural areas. Where suitable, the actions should untap the potential of digitalisation to increase adaptability of the region.

Furthermore, the Programme pays special attention to adjustments of the innovation ecosystems to support resilience building. The ecosystem is understood as ability of multiple and interconnected stakeholders to work together effectively using available resources e.g. financial and human. Existing policies and regulations as well as culture supportive to innovation are other important elements of the ecosystem. Furthermore, the solutions developed by projects should adapt smart specialisation approaches to reinforcing the region’s resilience at the macro scale. This implies finding the right balance between reducing dependency and connecting to global supply and value chains.

Non-exhaustive list of example actions:

- Developing models that reduce the dependency of the BSR on global supply chains and increase the ability to produce critical goods in the region;
- Redesigning smart specialisation approaches and redefining connections to global value chains to strengthen resilience of the Baltic Sea as a macro-region;
- Developing and testing mechanisms that manage economic and societal challenges in the BSR macro-region in a coordinated fashion, e.g. piloting smart health solutions;
- Exploring the potential of sustainable consumption patterns based on local services and goods and strengthening a common identity of the BSR as a source of these goods and services;
- Exploring solutions (e.g. digital) that enable services and production in the BSR to scale and shrink in response to sudden demand fluctuations, minimising negative impact on human welfare;
- Exploring solutions to assist business with recovery following unexpected external disturbances, e.g. developing new or adapting existing business support programmes, implementing efforts to diversify the industrial base, developing risk management tools for whole sectors (e.g. creative industries) and risk response strategies;
- Piloting actions that strengthen societal resilience through cultural change, behavioural shifts and mobilising creativity, e.g. promoting smart working solutions, testing mechanisms supporting vulnerable social groups;
- Piloting actions that strengthen cohesion and regional identity by using culture as means for social inclusion and social innovation;
- Piloting actions solving specific challenge in building resilience through better connections between research and regional innovation systems.

Contribution to the selected objective

These example actions contribute to the specific objective. They explore and practically apply holistic approaches aiming to make Baltic Sea region economies and societies more resilient and innovative. The actions recognise the central role played by businesses and communities in resilience building processes, paying attention to uneven territorial developments and unequal impacts on different social groups. In addition, the actions concentrate on adapting smart specialisation approaches to rapidly changing external circumstances.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and connect the region. In particular, they support the policy area (PA) Innovation by promoting new approaches to smart specialisation, ecosystem thinking and digitalisation. Furthermore, the actions aim to turn challenges into opportunities for sustainable growth in the Baltic Sea region. In line with the expectation of PA Innovation, they address the need for coordinated macroregional responses going beyond any specific crisis and creating a long-term vision for innovation policy in the region. By integrating territorial approaches in service delivery, the objective directly contributes to PA Spatial Planning.

Expected result

In this objective the Programme facilitates the searching for and practical application of experimental solutions that increase the ability of Baltic Sea region societies and economies to cope with external shocks in an innovative way. As a result, the Programme's main target groups increase their capacity to monitor, avoid, withstand and recover quickly from the crises.

2.1.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	iv	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
1	iv	RCO87	Organisations cooperating across borders	Organisation		
1	iv	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
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1	iv	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisations					
1	iv	RCR 104	Solutions taken up or up-scaled by organisations	Solutions					

2.1.1.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets public authorities at local, regional and national levels, business support organisations, specialised agencies, and infrastructure and service providers as the main forces responsible for the structural transition into a more resilient and innovative region. The Programme encourages citizen involvement through specific NGOs. Wherever appropriate, e.g. for the purposes of practical testing of the solution, the Programme supports directly involving enterprises. Higher education and research institutions as well as education and training centres may join transnational cooperation actions to support the main target groups with additional expertise and competence. This particularly concerns building structures to strengthen the innovative potential of the Baltic Sea region. Furthermore, the Programme supports linking competences across different sectors.

2.1.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address challenges and opportunities of the whole Baltic Sea region and encourage approaches at the macro-regional scale. To allow for a just transition and the most efficient exploration of existing potential, differences between specific types of territories should, wherever appropriate, be considered. For instance, actions should take into account the different effects of an external disturbance like a financial crisis on urban and rural areas.

2.1.1.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.1.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.1.2. Specific objective (i) Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Reference: Article 17(4)(e)

2.1.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 1.2 Responsive public services

Introduction to actions

A growing complexity of societal challenges in the Baltic Sea region highlights the weaknesses of existing traditional mechanisms of developing solutions in the public domain. The Programme supports actions that improve organisational set-ups and processes to respond to public needs and to deliver less bureaucratic and more cost-efficient public services. These public services are services for all members of the community. They cover e.g. health care, urban planning and social services.

As the nature of challenges for the public sector is rapidly changing, the Programme highlights the importance of building the capacity of public authorities, specialised agencies and infrastructure and service providers to innovate and invent new solutions that are more responsive to change. The actions within this objective should develop systematic public responses that cut across sectors and borders where appropriate. The Programme supports benchmarking solutions across countries to create incentives for public organisations to improve the quality of their delivery. Whenever possible it aims at harmonisation of systems and standards among participating countries. The Programme also reflects

territorial specificities, e.g. of rural or remote areas, and promotes mechanisms for tailor-made needs-based services.

Furthermore, the actions should incorporate new perspectives, particularly those of staff directly involved in service delivery and citizens. The Programme encourages interaction between public service providers and the wider community of users. Enhancing social innovation and empowering citizens is enabled e.g. through new technologies facilitating data generation, use and sharing. Additionally, the Programme encourages the application of emerging digital technologies like artificial intelligence or blockchain as important enablers of more responsive public services. The Programme paves the way for resource-efficient and environmentally-friendly public offer for citizens, creating direct opportunities for businesses e.g. through innovative partnerships.

Non-exhaustive list of example actions:

- Testing unconventional approaches that reduce costs and bureaucracy as well as make public services more effective, e.g. piloting needs-based, data-driven, cross-sectoral approaches to planning.
- Developing integrated public services tailored to the needs of functional regions and specific territories, e.g. solutions taking into account the settlement structures and demographic trends in rural areas to ensure remote access to services;
- Developing common standards and establishing sustainable, inclusive and trustworthy digital public services in the Baltic Sea region including by piloting interoperable public services e.g. testing and developing new data-based health models enabling more participatory and personalised approaches;
- Testing approaches that establish “innovation partnerships” by combining research and public procurement with the objective to create new business opportunities (including “green” solutions and social innovation);
- Piloting solutions that increase citizen engagement in transforming public services, e.g. using gamification or other innovative culture-based approaches to motivate different generations to participate in public life, creating environments that foster citizens’ self-organisation, or institutionalising a co-design approach through dedicated labs.

Contribution to the selected objective

The actions contribute to the specific objective by increasing innovation capacity of local and regional authorities, specialised agencies, and infrastructure and service providers to deliver high quality, less bureaucratic and cost-efficient public services. The Programme supports the application of advanced digital technologies. In addition, the actions strive to build and test broad innovation partnerships in practice. These partnerships combine research capacities, business skills and user perspective to improve public service delivery.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and connect the region. In particular, they support the policy area (PA) Innovation by applying emerging digital technologies to tackle societal challenges. The actions also strive to support service and process innovation in the public sector. Moreover, the Programme objective contributes to PA Health. It enhances the skills and knowledge that help transform public health and well-being services. By integrating territorial approaches in service delivery, the objective directly contributes to PA Spatial Planning.

Expected result

This Programme objective is to explore and practically demonstrate innovative solutions for public service delivery in the Baltic Sea region. As a result, the Programme’s main target groups increase their capacity to offer efficient non-standard public services tailored to users’ needs and based on novel technologies. The target groups also strengthen their capacity to create innovative partnerships for the benefit of the communities and business.

2.1.2.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1	i	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
1	i	RCO87	Organisations cooperating across borders	Organisation		
1	i	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1	i	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation					
1	i	RRC104	Solutions taken up or up-scaled by organisations	Solution					

2.1.2.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

In this objective the Programme primarily targets public authorities at local and regional levels and, wherever appropriate, national levels. It also addresses specialised agencies as well as infrastructure and service providers. These types of organisations are the main forces responsible for public service delivery in the region. The Programme emphasises citizen involvement through NGOs to ensure the user perspective when developing public services. For the actions testing establishment of innovation partnerships the Programme encourages involving business support organisations. The Programme encourages directly involving enterprises wherever appropriate, e.g. to practically test a solution. Higher education and research institutions as well as education and training centres may join transnational cooperation actions to support the main target groups with additional expertise and competence. In this objective, this particularly concerns the testing of the innovation partnership concepts. Additionally, the Programme supports linking competences across different sectors in order to consolidate service offers for the citizens.

2.1.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address challenges and opportunities for the whole Baltic Sea region. The solutions for new public services are mainly tested on the local and regional level. However, the Programme also encourages ambitious applications on the macro-regional level based on common standards. Wherever appropriate, the actions within this objective should take into account differences between specific types of territories related to e.g. settlement structures or demographic trends.

2.1.1.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.1.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.2. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

2. Water-smart societies

This is a priority pursuant to a transfer under Article 17(3)

2.2.1. Specific objective (v) promoting access to water and sustainable water management

Reference: Article 17(4)(e)

2.2.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 2.1 Sustainable waters

Introduction to actions

The Programme supports actions that improve the state of water in the region and make its management more sustainable. These waters include the Baltic Sea, coastal waters and inland waters like rivers, lakes and groundwater.

The Programme encourages actions that implement available solutions to prevent and reduce water pollution across various waterways. Actions may develop new solutions and apply them widely in the region. Actions may adapt water management practices to changing climate conditions in urban, rural and coastal areas, such as storms, floods or droughts. Actions may support adapting water management strategies to emerging challenges.

Where possible, actions should be cross-sectoral as water resources and catchments are shared by multiple sectors and stakeholders. Relevant sectors include municipal and regional water management, agriculture, aquaculture, fishery, forestry, waste management, industry and households.

Non-exhaustive list of example actions:

- Engaging authorities, companies and advisories to introduce good practices to prevent nutrient and hazardous substance emissions in water, incl. interaction across sectors, and test solutions to recycle nutrients or payment models for ecosystem services;

- Introducing procedures to remove nutrients and hazardous substances from waterways and wastewater treatment, incl. microplastic, litter, hazardous submerged objects, oil spills;
- Adapting water management and other strategies to emerging pollutants or new solutions to eutrophication;
- Adapting water management practices across sectors to use water reasonably (e.g. reuse, retain, recirculate);
- Rethinking planning processes for more effective water management (e.g. during storms, floods, droughts and groundwater scarcity), also developing greening plans, nature-based and digital solutions;
- Improving water management practices across sectors to reduce risks of water pollution aggravated by climate change (e.g. coastal erosion);
- Piloting actions to shift consumer and production patterns to prevent water pollution e.g. reducing plastic use, handling pharmaceuticals.

Contribution to the selected objective

These actions contribute to this specific objective by facilitating development, testing and application of good water management practices to reduce water pollution and remove pollutants from water. The actions support improving urban and rural planning processes for better water management and adapting water management strategies and action plans to emerging challenges.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objective of the EUSBSR to save the Sea. In preventing and reducing water pollution, they support policy areas (PA) Nutri and Bioeconomy by addressing nutrients from cities, agriculture, aquaculture and forestry as well as PAs Hazards, Secure and Health by addressing chemicals and hazardous substances in the sea and inland waters. The actions are in line with these PAs' aim of climate change adaptation.

Expected result

These actions intensify the application of available and development and testing of new water management solutions or solutions across different sectors improving water quality. As a result, the Programme's main target groups increase their capacity to manage water and connected sectors in a more competent, sustainable and efficient way in a changing climate.

Programme objective 2.2 Blue economy

Introduction to actions

The Baltic Sea region has plentiful water resources and know-how for advancing a blue economy as well as environmental concerns for healthy ecosystems in the sea and inland water bodies.

The Programme supports actions on sustainable use of fresh and sea waters as well as marine resources in innovative business development in the whole region in emerging and established sectors. These include aquaculture, blue biotechnology, shipping, fishery, and coastal and maritime tourism.

As different sectors may use the same resources, actions should help mitigate potential conflicts among users of the sea space and facilitate its joint use. Moreover, the Programme encourages actions for blue businesses that strengthen their resilience to and mitigate their impact on climate change.

Non-exhaustive list of example actions:

- Creating new business opportunities by developing value chains for sustainable fresh water and marine-based products and services in line with smart specialisation strategies and marketing them;
- Developing governance, communication and cooperation models among public authorities and industry to mitigate conflicts and promote the joint use of the sea and land space, through maritime spatial planning and land-sea interaction;
- Integrating climate change mitigation measures in blue economy development plans;
- Introducing common environmental standards and clean, digital, eco-efficient solutions on ships and in ports to reduce emissions, process and recycle waste and wastewater, prevent species from entering water bodies;
- Improving management of sea and inland water traffic and introducing solutions for remote navigational support and automation on ships and in ports;
- Diversifying coastal, maritime and inland water tourism products and connecting them to other sectors e.g. food, health, to combat seasonality;
- Testing payment models for ecosystem services provided by blue businesses.

Contribution to the selected objective

These actions contribute to this specific objective by facilitating access to and sustainable use of sea and fresh waters as well as related marine resources for business. The actions support target groups in sustainably advancing local blue economy, by facilitating joint use of the sea and other waters. The actions help prevent water pollution that could be caused by blue economy through solutions for clean shipping or valorisation of ecosystem services of clean water in aquaculture.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objectives of the EUSBSR to save the Sea and to increase prosperity. They support policy areas (PA) Innovation, Bioeconomy and Nutri in developing a blue economy through sustainable use of water and marine resources. They support PAs Ship, Safe, Secure, Transport in advancing reliable and clean shipping and PA Spatial Planning in mitigating conflicts and joint use of the sea space. They support PAs Tourism and Culture in using social and cultural values of marine ecosystems and water resources as a business opportunity in the tourism sector.

Expected result

These actions develop solutions for sustainable use of sea and fresh waters and marine resources in business development. As a result, the Programme's main target groups increase their capacity to advance blue economy in a more competent, sustainable and efficient way considering a changing climate and environmental concerns for a healthy Sea and inland water bodies.

2.2.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
2	v	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
2	v	RCO87	Organisations cooperating across borders	Organisation		
2	v	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
2	v	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation					
2	v	RRC104	Solutions taken up or up-scaled by organisations	Solution					

2.2.1.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets public authorities at local, regional and national levels as the main drivers of advancing sustainable water management and supporting blue economy development in the region. Municipalities, regional councils, ministries and governmental agencies have an important role in governing water and resource use. Further, the Programme targets organisations in sectors affecting water quality, like agriculture, aquaculture, blue biotechnology, fishery, forestry, shipping, and coastal and maritime tourism. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers and enterprises. Citizen involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and

training centres may join as their expertise is important for developing viable and effective solutions for water management and sustainable blue economy.

2.2.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. The different actions are focused to the needs of specific areas: the Baltic Sea or its parts, coastal areas, inland urban and rural territories. Water management in different territories require adaption in the approach and involvement of specific target groups. Similarly, approaches to sustainable water and marine resource use in different areas may call for adjustments or engagement of specific target groups.

2.2.1.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.2.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.3. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

3. Climate-neutral societies

This is a priority pursuant to a transfer under Article 17(3)

2.3.1. Specific objective (vi) promoting the transition to a circular and resource efficient economy

Reference: Article 17(4)(e)

2.3.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.1 Circular Economy

Introduction to actions

Ensuring steady growth of the Baltic Sea region without increasing pressure on the environment including water, air and soil requires transitioning towards a circular economy. The Programme supports actions that facilitate the shift from linear to circular resource use. This implies keeping products and materials in use for as long as possible. The Programme encourages holistic approaches that go beyond waste management to connect with water, energy, transport and land use. This requires facilitating behavioural change and integrated planning. In consequence, the shift towards circular economy is a valuable factor in fighting environmental challenges like overexploitation of the natural resources, inadequate air quality as well as climate change.

To accelerate the transition, the Programme especially supports actions that build an enabling environment and raise awareness for circular opportunities. The actions foster a systemic shift that creates long-term opportunities for business as well as environmental and societal benefits. For this reason, business and communities are considered to be at the heart of the transition. Considering the needs of business actors, the Programme provides a space to redefine smart specialisation approaches to advance the shift towards circularity. Furthermore, actions should take into account not only potential winners but also those disadvantaged by the transition processes. Wherever appropriate, the actions consider uneven territorial effects e.g. between urban and rural areas or specificities of remote areas. The solutions developed are encouraged to untap the potential of digitalisation as a means of achieving a resource-efficient economy in the Baltic Sea region.

Non-exhaustive list of example actions:

- Integrating circular economy policies into territorial strategies and testing their implementation, linking to other relevant regional and national strategies e.g. for smart specialisation;
- Mapping administrative or legal barriers limiting circular approaches and defining solutions in line with competences of cities and regions;
- Testing public procurement models that strengthen the role of public authorities in supporting a transition towards circularity;
- Rethinking urban and regional planning processes in sectors key to achieving circularity (e.g. transport, water, energy, and waste management) in order to adopt better integrated and systemic approaches;

- Coordinating and supporting entrepreneurial and civil society initiatives in promoting circular economy and supporting change in attitudes i.e. creating awareness of circular opportunities among business executives, owners and consumers;
- Providing support services that help businesses adopt more circular approaches e.g. supporting a shift from ownership to new business models based on flexible and affordable access to services;
- Applying digital technologies to transform business models from linear to circular, e.g. to match suppliers and producers, track the journey of components and materials, help virtualise products;
- Testing solutions that create synergies between bio and circular economy e.g. supporting industrial symbiosis using waste material from forest industry by companies in different sectors.

Contribution to the selected objective

The proposed actions contribute to the specific objective by engaging local and regional authorities, business and citizens in activities that accelerate a transition towards circular economy. In particular, the actions improve planning processes at local and regional level to enable circularity. In addition, they facilitate the development, testing and application of solutions that transform business models from linear to circular. Furthermore, the actions increase the role of civil society in building awareness of circular opportunities.

Contribution to the EU Strategy for the Baltic Sea Region

The types of actions supported by the Programme contribute to the objectives of the EUSBSR to increase prosperity and save the sea. They support the policy area (PA) Innovation by achieving a more resource efficient economy through digital transformation. In addition, the actions contribute to the “green” shift within smart specialisation approach fostered by the policy area Innovation. Furthermore, the actions support PA Bioeconomy. They make use of opportunities arising from combining bioeconomy and principles of circular economy, e.g. through industrial symbiosis. In its holistic approach the Programme objective is also relevant for PA Health, which strives to integrate health aspects into other sectors including circular economy.

Expected result

In this objective the Programme facilitates building awareness of circular possibilities for the economy and society. The actions also increase the practical application of already existing solutions as well as the development and testing of new solutions that shift the Baltic Sea region from a linear to circular use of resources. As a result, the Programme’s main target groups increase their capacity to apply integrated approaches for circularity in key sectors such as planning, transport, water, energy and waste management.

2.3.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]

3	vi	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
3	vi	RCO87	Organisations cooperating across borders	Organisation		
3	vi	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	vi	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisations					
3	vi	RCR104	Solutions taken up or up-scaled by organisations	Solution					

2.3.1.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

Within this objective the Programme targets public authorities at local, regional and, whenever appropriate, national levels. The Programme encourages involving citizens through NGOs. The Programme expects strong engagement of the business sector, mainly through business support organisations, including directly where appropriate, e.g. for testing of specific solutions. These types of organisations should be supported by specialised agencies and infrastructure and service providers from the sectors that are key to achieving circularity e.g. transport, water, energy and waste management. In this respect, the Programme especially encourages combining competences across different sectors. Higher education and research institutions as well as education and training centres may join transnational cooperation actions to support the main target groups with additional expertise and competence, e.g. in awareness building or with technical expertise.

2.3.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region and encourage approaches at the macro-regional scale. To allow for a just transition towards circularity and the most efficient exploration of existing potential, the Programme considers differences between specific types of territories, e.g. in planning processes in urban and rural areas.

2.3.1.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.3.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.3.2. Specific objective (i) promoting energy efficiency and reducing greenhouse gas emissions

Reference: Article 17(4)(e)

2.3.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.2 Energy transition

Introduction to actions

The Programme supports actions targeting the decarbonisation of energy systems in the region in order to reduce greenhouse gas emissions.

The Programme encourages the development of solutions that increase energy efficiency in industrial production processes as well as in public and private building stock. The Programme also encourages actions that develop and test solutions to increase renewable energy production from locally available resources. In addition, actions may help with renewable energy distribution and integration into various sectors, like building, industry, district heating and cooling.

Actions may adapt and update policies and regulations as well as coordinate plans and the application of solutions across borders. Actions may mobilise industry and citizens to apply energy solutions for climate neutrality and plan wider deployment with other public or private funds.

Non-exhaustive list of example actions:

- Rethinking policies and regulations and updating national, regional or local energy plans for climate neutrality;
- Addressing administrative, legal and financial barriers to speed up a ‘renovation wave’ of public and private buildings, incl. designing innovative financing schemes or combining energy efficiency measures with renewable energy application;
- Testing coordination mechanisms across borders for development of renewable energy projects, considering spatial planning needs;
- Strengthening integration of different energy systems and interconnecting energy consumers from different sectors;
- Introducing solutions for localised energy grids, combining multiple power sources;
- Designing public support policies to encourage wider production, supply and storage of renewable energy;
- Accelerating the establishment of systems for producing, storing and using renewable energy, and in particular, renewable electricity from locally available resources, with application of innovative technologies;
- Piloting actions that strengthen the involvement of citizens and industry in decarbonising energy systems, including development and testing guidelines for energy districts and standards for green industry certification.

Contribution to the selected objective

These actions contribute to this specific objective by facilitating the development, testing and application of solutions in industry and building stock that increase their energy efficiency and decrease energy consumption. These actions are further strengthened by coupling them with the actions on development of solutions for renewable energy production, distribution and use. Such an approach allows the Programme to trigger changes for the low-carbon energy systems leading to reduced greenhouse gas

emissions in a comprehensive and coordinated way. Further, the actions support improving policies and regulations for climate neutrality that aim for an increase in energy efficiency and renewable energy use.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objective of the EUSBSR to connect the region. The actions support policy area (PA) Energy in streamlining efforts on energy efficiency in the region as well as increasing the share of renewable energy by deepening regional cooperation. The actions help share best practices on long-term renovation strategies, consumption and integration of renewables in building, industry, district heating and cooling sectors. Further, the actions support PA Bioeconomy in facilitating the sustainable use of biological resources for energy production. The actions support PA Spatial Planning in strengthening the application of place-based approaches when developing solutions for producing renewable energy from locally available resources as well as coordinating energy plans across borders.

Expected result

These actions intensify the development, testing and application of solutions that help increase energy efficiency across different sectors and support the production and use of energy from renewable sources. The actions help improve policies and regulations as well as actively engage citizens and industry. As a result, the Programme’s main target groups increase their capacity to move society and the economy towards low-carbon energy systems with increased energy efficiency, enhanced renewable energy use and reduced greenhouse gas emissions.

2.3.2.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
3	i	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
3	i	RCO87	Organisations cooperating across borders	Organisation		
3	i	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments

3	i	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisations					
3	i	RCR 104	Solutions taken up or up-scaled by organisations	Solutions					

2.3.2.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets public authorities at local, regional and national level as the main drivers of decarbonising the energy systems. Municipalities, regional councils, ministries as well as governmental agencies have an important role in setting a strategic direction to increasing energy efficiency as well as producing and using renewable energy. They have an important role in mobilising industry and citizens to introduce energy solutions for the climate neutrality. The Programme also targets organisations that support this transition. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers and enterprises. Citizens involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and training centres may join as their expertise and competence is highly important for developing viable and efficient energy solutions.

2.3.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. Different actions are focused to the needs of specific areas: urban and rural territories, areas with different local biological sources for production of renewable energy. Applying energy-saving solutions or solutions for renewable energy production in different territories requires adaption in the approach and involvement of specific target groups.

2.3.2.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

2.3.2.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.3.3. Specific objective (viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy

Reference: Article 17(4)(e)

2.3.3.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 3.3 Smart green mobility

Introduction to actions

The Baltic Sea region has a big potential to achieve zero greenhouse gas emissions in the transport sector by using renewable fuels, clean electricity and digitalisation. A green and well-functioning cross-border mobility system is vital for the development of the BSR. The Programme supports actions that ensure the smooth movement of people and goods in and across urban and rural areas while saving resources by increasing efficiency, integrating different transport modes and accelerating digitalisation.

The Programme encourages the development of solutions that harmonise mobility systems across borders and thus enabling a coherent use of green mobility solutions. Further, the Programme encourages actions that enhance the capacity of public authorities in national, regional and urban planning to introduce green and intelligent transport solutions to reduce pollution including air pollution in cities. The Programme wants to mobilise transport companies and citizens to actively use green and

intelligent mobility solutions. In this way the objective does not aim only on introducing technical solutions but also on changes in mobility behaviours and demands.

Non-exhaustive list of example actions:

- Developing common standards to harmonise mobility systems in order to ensure the compatibility of green solutions along transport corridors and across borders, e.g. for charging systems, new modes of vehicles;
- Using innovative technologies and planning infrastructure to advance low-emission, green, smart solutions in multimodal transport
- Supporting national, regional and local public authorities in developing, testing, procuring and deploying green and multimodal transport as an integrated service using digital tools;
- Rethinking urban, rural and regional spatial and transport planning adapting to vehicle and service innovation as well as to promote space efficient mobility of all modes (autonomous, connected, electric, shared and active mobility options, e.g. walking and biking);
- Testing and applying digital solutions (big data analytics, real-time data processing, intelligent transport systems) that regulate traffic flow, optimise public transport lines, and predict changing mobility patterns.
- Testing and deploying innovative technologies and planning infrastructure to produce, store and distribute renewable fuels (e.g. biofuels, hydrogen) in cities and regions to replace diesel and petrol in transport;
- Planning and piloting e-mobility, smart grid services and charging stations, including locally-produced electricity, and connecting green energy to existing energy grids;
- Planning charging infrastructure at public transport stations and freight hubs, repurposing gas or petrol stations as charging hubs for renewable fuels;
- Advancing freight mobility through introducing shared solutions and distributed centres using digital platforms to maximise the efficiency of vehicle utilisation.

Contribution to the selected objective

These actions contribute to the specific objective by facilitating the development, testing and application of solutions that reduce pollution in the transport sector. They will help the region significantly reduce its transport emissions and thus achieve climate neutrality. **Due to the characteristics of the BSR it is relevant to tackle the climate challenges of mobility in both urban and rural areas.** Therefore, the actions support the establishment of green mobility infrastructure in both urban and rural areas. They advance the deployment of sustainable transport fuels, public recharging and refuelling points as well as connect green and local energy resources to energy grids and e-mobility. The actions to automate and connect multimodal mobility will increase the efficiency of the transport system.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to the objective of the EUSBSR to connect the region and increase prosperity. The actions support the PA Transport in streamlining efforts to develop measures for climate-neutral transport and to facilitate innovative transport technologies and solutions in the BSR. The aim is to develop sustainable supply chain strategies as a multi-fuel approach in the BSR (with alternative fuels

like biofuels and hydrogen). At the same time, sustainable transport actions will be developed, especially transport across the borders. Further, the actions support PA Energy in the promotion of advanced biofuels and electrification in transport as well as sector integration and sector coupling that can help decarbonise the transport sector. The actions support PA Spatial Planning in encouraging transnational actions to improve the accessibility and connectivity of the region.

Expected result

All in all, the actions intensify the development, testing and application of green and intelligent transport and mobility solutions. The actions help develop green transport infrastructure, increase the use of sustainable alternative transport fuels and intelligent mobility. As a result, the Programme's main target groups increase their capacity to move society and economy towards green and intelligent mobility systems with increased energy efficiency, enhanced usage of renewable fuels and decreased pollution

2.3.3.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
3	viii	RCO84	Pilot actions developed jointly and implemented in projects	Pilot action		
3	viii	RCO87	Organisations cooperating across borders	Organisation		
3	viii	RCO116	Jointly developed solutions	Solution		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
3	viii	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities	Organisation					

			across borders						
3	viii	RCR 104	Solutions taken up or up-scaled by organisations	Solution					

2.3.3.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets public authorities at local, regional and national level responsible for transport, planning and environmental protection. Municipalities, regional councils, ministries as well as governmental agencies have an important role in organising transport services in the region. Further, the Programme targets organisations from sectors that offer and use different transport modes. These are logistic and transport operators, other infrastructure and service providers and enterprises. Citizens involvement is encouraged through associations or NGOs. Higher education and research institutions may join transnational cooperation actions as their expertise and competence is important in developing innovative and efficient transport and mobility solutions.

2.3.3.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the challenges and opportunities of the whole Baltic Sea region. The different actions are focused to the needs of specific areas: national or regional levels, especially urban but also rural territories. Green transport solutions in different territories require adaptation in the approach and involvement of specific target groups.

2.3.3.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.3.3.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.4. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d)

4. Cooperation governance

This is a priority pursuant to a transfer under Article 17(3)

2.4.1. Specific objective (vi) other actions to support better cooperation governance

Reference: Article 17(4)(e)

2.4.1.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 4.1 Project platforms

Introduction to actions

The Programme supports the cooperation of EU-funded projects in project platforms. These actions bring the results of various projects from different EU funding programmes-to stakeholders in the Baltic Sea region in a structured way. The actions of project platforms help public authorities and other organisations access project results more easily. They show how the different results complement each other, making use of synergies across EU funds.

The proposed actions identify solutions developed by projects and other initiatives in EU funding programmes, also co-funded by the partner countries Norway and Russia, relevant for the Baltic Sea region and interlink and synthesise them. The actions focus on communicating and transferring these syntheses of solutions to broader target groups going beyond usual partnerships.

Specifically, the actions target public authorities as main drivers of policy change in the region. In addition, actions closely involve relevant pan-Baltic organisations to strengthen communication as well as policy area coordinators of the EU Strategy for the Baltic Sea Region to introduce this synthesis into regional policy frameworks. The Programme supports the work in project platforms in line with the Programme's thematic priorities.

Example actions within project platforms:

- Identifying solutions developed by different Interreg and other EU funded projects relevant for the Baltic Sea region, structuring them and making syntheses based on the needs of the target groups;
- Analysing know-how developed in research and innovation projects as well as experiences with investment projects co-financed from EU funds and combining them with the findings of Interreg projects;
- Setting up communication channels and learning tools to reach out to public authorities and other organisations to give them access to syntheses of solutions;
- Introducing syntheses of solutions into the daily work of public authorities, specialised agencies and others organisations working in these thematic areas;
- Addressing policy-making needs on complex challenges that require solutions from different Interreg and other EU-funded programmes across different levels of governance and different sectors;
- Reaching out to relevant policy and decision-making authorities and other organisations at the national and pan-Baltic level and providing them streamlined results from different Interreg and other EU-funded projects for more efficient development of policies and governance structures.

Contribution to the selected objective

These actions contribute to this specific objective by enhancing the institutional capacity of public authorities and other stakeholders to govern and manage their fields of responsibility by taking up a synthesis of results from different EU funding programmes in different thematic areas. These actions help project results achieve greater impact and actively seek and make use of synergies across EU funds.

Contribution to the EU Strategy for the Baltic Sea Region

These actions contribute to all three objectives of the EUSBSR: to save the Sea, connect the region and increase prosperity. The actions provide syntheses of solutions in line with many policy areas (PA) of the EUSBSR, for example, PAs Nutri, Bioeconomy, Innovation, Ship, Spatial Planning, Hazards, Energy, Transport. They actively take stock of solutions produced by different EU funding programmes in line with the objectives of the policy areas as well as their communication and application on the policy level and among practitioners.

Expected result

These actions help public authorities and other organisations navigate the results of multiple projects developed in different EU funding programmes in different thematic areas. The actions support these target groups in learning what solutions are useful for them and how to apply them in their daily work. They help improve policy-making processes and governance structures in the regions. As a result, the Programme's main target groups increase their capacity to govern and manage their fields of responsibility in their regions and across borders. They have stronger capacity to address territorial challenges in a more efficient way.

2.4.1.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
4	vi	RCO87	Organisations cooperating across borders	Organisation		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
4	vi	PSR1	Organisations with increased institutional capacity due to their participation in cooperation activities across borders	Organisation					

2.4.1.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets public authorities at local, regional and national levels as the main drivers of policy change as well as advancing regional development across different fields and sectors. Municipalities, regional councils, ministries and governmental agencies have an important role in governing this development. The Programme also targets representatives of the EU Strategy for the Baltic Sea Region, for example, coordinators of the policy areas, as well as pan-Baltic organisations. Further, the Programme targets organisations working in sectors addressed by the Programme thematic priorities. These are sectoral agencies, advisory centres and boards, business support organisations, infrastructure and service providers, and enterprises. Citizen involvement is encouraged through associations or NGOs. Higher education and research institutions as well as education and training centres may join as their expertise is important for synthesising solutions.

2.4.1.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address challenges and opportunities of the whole Baltic Sea region. The actions focus on the needs of different thematic areas and this may require adaption in the approach to targeting specific territories, for example, the Baltic Sea, urban or rural areas and involvement of specific target groups.

2.4.1.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.4.1.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

2.4.2. Specific objective (iv) enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies

Reference: Article 17(4)(e)

2.4.2.1 Related types of action and their expected contribution to those specific objectives and to macro-regional strategies and sea-basis strategies, where appropriate

Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii)

Programme objective 4.2 Macro-regional governance

Introduction to actions

The Programme supports actions that implement and strengthen governance and communication activities in the EU Strategy for the Baltic Sea Region (EUSBSR). These actions may facilitate policy discussions and trigger policy changes, build up networks to develop projects and other initiatives in line with the EUSBSR Action Plan, or investigate and secure potential funding sources on the EU, national or regional level to ensure their implementation.

The Programme provides support to the coordinators of the EUSBSR policy areas (PACs) to carry out additional tasks in order to coordinate the planning and implementation of the EUSBSR policy areas. The Programme also supports actions to inform regional and EU stakeholders about the progress and achievements of these areas, changes and next steps in implementing the EUSBSR Action Plan. Further, the Programme supports the organisation of a meeting place in the form of Strategy fora to engage politicians, different levels of governance and civil society to discuss topical issues of the EUSBSR. The Programme also provides support to ensure administrative, communication and capacity building assistance to the national coordinators of the EUSBSR and other stakeholders, for instance, in the form of a strategy point.

In all actions the Programme encourages enhancing cooperation with the partner countries to ensure synergies between the EUSBSR and the strategies of the partner countries as well as progress in the work on common priorities.

Example actions:

- Assistance to the policy area coordinators of the EUSBSR.

Actions may coordinate policy discussion and address the need for policy changes. They may build up networks, engage stakeholders in the processes in the policy areas in a systematic way, support project idea generation and project implementation. Action may support monitoring progress and evaluating whether agreed targets are reached, regularly reviewing objectives, processes, actions and results, amending and updating them when needed.

- Organisation of Strategy fora.

A Strategy Forum is a meeting place for organisations implementing the EUSBSR and other stakeholders. Organised as a conference or similar, these actions may communicate the work of the EUSBSR, its objectives and its achievements as well as progress on the common priorities with the partner countries to policymakers, public authorities, and a wider audience. They may stimulate policy discussions and disseminate results. Actions may provide stakeholders with a networking occasion and help actively engage them in the planning and implementation of the EUSBSR Action Plan.

- Assistance to a Strategy point.

Actions may provide administrative support to the national coordinators of the EUSBSR. They may support capacity building of the stakeholders of the EUSBSR and the strategies of the partners countries. Actions may support monitoring and evaluating achievements, stimulating exchange and sharing knowledge among the policy areas. They may coordinate communication including running the EUSBSR website and other communication tools.

Contribution to the selected objective

These actions contribute to this specific objective by enhancing the institutional capacity of public authorities and other stakeholders to govern, communicate and implement an EU macro-regional strategy in the Baltic Sea region. These actions also support creating synergies between EUSBSR stakeholders and stakeholders of other strategies in the partner countries of the Baltic Sea region.

Contribution to the EU Strategy for the Baltic Sea Region

All these actions contribute to the EUSBSR by facilitating active and efficient coordination among institutions responsible for the EUSBSR, their capacity building, and communication and engagement of stakeholders.

Expected result

These actions strengthen the governance structures in the EUSBSR and stimulate policy discussions in the Baltic Sea region, build up networks, engage and motivate different stakeholders to plan actions and secure further funding for the implementation of the EUSBSR Action Plan. As a result, responsible organisations have the capacity to coordinate and communicate the EUSBSR's progress and achievements, and actively engage different stakeholders in the region as well as work on common priorities of the EU and partner countries.

2.4.2.2 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
4	iv	RCO118	Organisations cooperating for the multilevel governance of macroregional strategies	Organisation		

Table 3: Result indicators (to be filled in/included in the next steps)

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
4	iv	RCR84	Organisations cooperating across borders after project completion	Organisation					

2.4.2.3 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv)

The Programme targets organisations designated as the coordinators of the EUSBSR policy areas, national coordinators of the EUSBSR, and international bodies, national and regional public authorities as well as other bodies providing a link to the strategies and priorities of the partner countries. The Programme also targets organisations that support these governance and communication activities. These are other national, regional and local public authorities and agencies, pan-Baltic organisations, and NGOs. Higher education and research institutions as well as education and training centres may join

as their expertise and competence is highly important for developing efficient capacity building and monitoring and evaluation of solutions.

2.4.2.4 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv)

The Programme does not plan to use any territorial tools meant above. The actions under this specific objective address the needs of the EU Strategy for the Baltic Sea Region as well as provide a link to the strategies and priorities of the partner countries in the area. Different types of actions may require adaption in the approach and involvement of specific target groups.

2.4.2.5 Planned use of financial instruments

Reference: Article 17(4)(e)(v)

(to be filled in/included in the next steps)

Text field [7000]

2.4.2.6 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e)(vi), Article 17(9)(c)(v)

Table 4: Dimension 1 – intervention field (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 5: Dimension 2 – form of financing (to be filled in/included in the next steps)

Priority no	Fund	Specific objective	Code	Amount (EUR)

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

(to be filled in/included in the next steps)

Priority No	Fund	Specific objective	Code	Amount (EUR)

3. Financing plan (to be filled in/included in the next steps)

Reference: Article 17(4)(g)

3.1 Financial appropriations by year

Reference: Article 17(4)(g)(i), Article 17(5)(a)(i)-(ivd)

Table 7

<i>Fund</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>Total</i>
<i>ERDF (territorial cooperation goal)</i>								
<i>ERDF programmed under Article 17(3) (Investments for Jobs and Growth goal)</i>								
<i>IPA III CBC¹</i>								
<i>Neighbourhood CBC²</i>								
<i>IPA IIF³</i>								
<i>NDICI⁴</i>								
<i>OCTP⁵</i>								
<i>OCTP⁶</i>								
<i>Interreg Funds⁷</i>								
<i>Total</i>								

3.2 Total financial appropriations by fund and national co-financing

Reference: Article 17(4)(g)(ii), Article 17(5)(a)

¹ *Interreg A, external cross-border cooperation*

² *Interreg A, external cross-border cooperation*

³ *Interreg B and C*

⁴ *Interreg B and C*

⁵ *Interreg B and C*

⁶ *Interreg C and D*

⁷ *ERDF, IPA III, NDICI or OCTP, whereas single amount under Interreg B and C*

Table 8*

PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Co-financing rate (f)=(a)/(e)	Contributions from the third countries (for information)
						National public (c)	National private (d)			
	Priority 1	ERDF ⁷								
		IPA III CBC ⁸								
		Neighbourhood CBC ⁹								
		IPA III ¹⁰								
		NDICI ¹¹								
		OCTP Greenland ¹²								
		OCTP ¹³								
	Interreg Funds ¹⁴									
	Priority 2	(funds as above)								
	Total	All funds								
		ERDF								
		IPA III CBC								
		Neighbourhood CBC								
		IPA III								
		NDICI								
		OCTP Greenland								
		OCTP								
		Interreg Funds								
	Total	All funds								

⁷ When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.

⁸ Interreg A, external cross-border cooperation

⁹ Interreg A, external cross-border cooperation

¹⁰ Interreg B and C

¹¹ Interreg B and C

¹² Interreg B and C

¹³ Interreg C and D

¹⁴ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C

4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation

Reference: Article 17(4)(h)

Involvement of partners during programme preparation

The drafting of the Interreg Baltic Sea Region Programme for the funding period 2021-2027 was organised in compliance with the European code of conduct on partnership as defined in Commission Delegated Regulation (EU) No 240/2014 applying it in sound proportionality to the geographical scope of the Programme area. Investitionsbank Schleswig-Holstein as designated Managing Authority and Joint Secretariat of the Programme (MA/JS) coordinated the process. A Joint Programming Committee (JPC) was established as decision making body for the programming. It is composed of national and regional representatives from all countries interested in participating in the future Programme. Sub-committees and national consultations in the countries are ensuring a wider participation of the sub-national level as well as of economic and social partners.

The Programme draws upon a large number of existing analyses and strategies as well as on the know-how of experienced pan-Baltic stakeholders and networks. It is built on vast experience gained from previous Programme periods. In 2019, a review of strategic priorities in the BSR was carried out. For the review, relevant pan-Baltic and national documents were systematically screened and analysed.

Supported by the Managing Authority and the Joint Secretariat, the JPC selected the priorities of the Programme. The thematic framework for the future Programme further includes the proposed topics and related explanations. The programming process was open and participative. The interested public as well as stakeholders (EUSBSR Policy Action coordinators and project platforms) were invited to provide their reflections on the thematic framework in an open consultation during summer 2020. 719 institutions from all countries of the Baltic Sea Region comprising a high number of local and regional authorities and NGOs provided feedback. In addition, Policy Area Coordinators of the EUSBSR and their Steering Groups as well as project platforms commented on topics of their concern in a selected process. The results showed a strong support to the proposed thematic scope of the Programme. The feedback helps further sharpen the thematic framework that, later on, was translated into the Programme document.

Involvement of partners during Programme implementation

Successful implementation of the Programme requires strong involvement of national, regional and local authorities, economic and social partner, as well as bodies representing the civil society as defined in Commission Delegated Regulation (EU) No 240/2014.

The future Monitoring Committee (MC) of Interreg Baltic Sea Region will comprise representatives from both national and regional level from the participating countries. In addition, national sub-committees of all participating countries will make sure that the regional and local level, economic and social partners as well as bodies representing the civil society will participate in accordance with Article 10 (2) of the Commission Delegated Regulation No 240/2014.

Cooperation with stakeholders of the EUSBSR will support an even wider outreach of the Programme management to partnerships on multi-levels of governance.

Text field [10 000]

5. Approach to communication and visibility for the Interreg programme (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)

Reference: Article 17(4)(i)

Approach

This section defines the approach to the Programme's communication and ensures the compliance with the requirements listed in Article 35 of the Interreg regulation. It outlines communication aims, target audiences, channels as well as approach to monitoring and evaluation. More details shall be presented in the Programme's communication strategy. It shall, among other things, specify activities along the Programme's lifecycle, budget and indicators.

Interreg Baltic Sea Region considers itself a sub-brand of Interreg. The Programme strives to align with the Interreg narrative and visuals, and highlight its distinctive features at the same time. Being part of the Interreg family, the Programme cooperates with Interreg programmes and Interact.

The Programme enables to put innovative, water-smart and carbon-neutral solutions into practice through transnational cooperation for the benefit of citizens across the Baltic Sea region. It communicates the added value of transnational cooperation and the European Union. Along the Programme's lifecycle, communication strives to mobilise relevant partnerships, enable projects to succeed and to make Interreg acknowledged.

Communication aims

Communication contributes to meeting the Programme's overall objective by addressing defined target audiences with suitable channels in order to achieve eight communication aims:

- 1) New applicants, in particular local and regional public authorities, are attracted by the Programme presented to them as a suitable and manageable funding source;
- 2) Anyone interested in the Programme has the possibility to fully understand it: its requirements and limits;
- 3) Multipliers, who have a clear understanding of the Programme, help mobilise relevant partnerships by communicating with their audiences;
- 4) The applicants, later project partners, have sufficient resources to identify, reach and engage their target audiences;
- 5) Those who receive the Programme funding know the rules and requirements and apply them correctly;
- 6) The Managing Authority/Joint Secretariat acts in a reliable, approachable and predictable manner;
- 7) People in projects are encouraged to feel part of the Interreg community and speak out positively about Interreg;
- 8) Relevant decision makers know project results from the Baltic Sea region and consider Interreg useful and efficient.

Target audiences

The core target audiences of the Programme and thus its communication are potential beneficiaries. They are clearly defined for each Programme priority in “The main target groups” sections of this document, which describe the thematic scope of the funding Programme.

Among others, they include public authorities at local, regional and national levels; business support organisations and enterprises; non-governmental organisations; higher education and research institutions; education/training centres. A target audience of specific importance are stakeholders of the EU Strategy for the Baltic Sea Region.

Communication channels

A variety of selected channels shall ensure complementarity and effectiveness of communication along the Programme’s lifecycle. The target audiences are addressed “where they are” and invited to the Programme’s channels. The selection covers traditional and digital, one-to-many, one-to-few and interactive channels, such as:

- 1) the Programme and project websites, which include promotional, educational and information publications and a catalogue of funded projects;
- 2) a selection of social media platforms and other online exchange platforms;
- 3) the online monitoring system;
- 4) events, including own events, consultations, other events and EU-wide events;
- 5) newsletters;
- 6) surveys and other means to collect qualitative feedback;
- 7) EU-wide campaigns and events, including those organised in cooperation with other Interreg programmes.

Spreading results shall be reinforced by one of the Programme’s instruments: project platforms

Monitoring and evaluation

The Programme shall regularly monitor and evaluate core aspects of communication to flexibly adapt e.g. to changing or arising needs of the target audiences, and to validate success communication.

The indicators, baselines and targets shall reflect the audiences targeted and channels used, and combine:

- 1) quantitative measures, such as statistics on the website traffic and conversions; newsletter openings, social media engagement (as outcome indicators);
- 2) qualitative measures, based on surveys among applicants and project partners to measure their satisfaction (as result indicators).

6. Indication of support to small-scale projects, including small projects within small project funds

Reference: Article 17(4)(new j), Article 24

Text field [7 000]

In accordance with Article 24.1(a) of Regulation (EU) [new Interreg Regulation] the Programme implements small projects directly within the Programme.

Small projects aim to facilitate an easier access to the Programme and a simplified project implementation. This is meant to attract organisations that are underrepresented in the Programme, have not participated for a longer period of time or never participated in the regular projects. The small project instrument targets mainly local, regional and national authorities as well as NGOs.

Small projects can cover all thematic objectives (priorities 1-3) of the Programme and need to clearly thematically fit into one of them. The activities as well as the results and outputs of a small project have to be appropriate to serve at least one of the following aims:

- building trust that could lead to further cooperation initiatives
- initiating and keeping networks that are important for the BSR
- bringing the Programme “closer to the citizens”
- allowing a swift response to unpredictable and urgent challenges

The purpose of small projects needs to clearly go beyond the lower level of cooperation like meetings or exchanging information. Projects are encouraged to implement experimentation activities in terms of application of new solutions or approaches.

The overall budget of a small project is limited to EUR 500,000. The projects will be implemented under simplified cost options exclusively.

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(7)(a)

Table 10

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	Investitionsbank Schleswig-Holstein (IB.SH)	Erk Westermann-Lammers (Managing Director, CEO); <i>Susanne Scherrer (Director MA/JS of Interreg Baltic Sea Region)</i>	info@ib-sh.de info@interreg-baltic.eu
National authority (for programmes with participating third countries, if appropriate)			
Audit authority	Ministry of Justice, Cultural and European	Markus Stiegler (Head of Unit)	markus.stiegler@jumi.landsh.de

	Affairs Schleswig-Holstein		
Group of auditors representatives	SLA in DE: Ministry of Justice, Cultural and European Affairs of Land Schleswig-Holstein, Germany	Markus Stiegler (Head of Unit)	
	SLA in DK: Danish Business Authority/EU Controlling	Mr Svend Holger Welleberg	
	SLA in EE: Ministry of Finance, Financial Control Department, Audit Unit III	Mr. Kaur Siruli	
	SLA in FI: Ministry of Finance/The Government financial controller's function/Audit Authority Unit, Finland	Ms Sirpa Korkea-aho	
	SLA in LT: Ministry of the Interior of the Republic of Lithuania, Internal Audit Unit	Ms Rasa Rybakovienė	
	SLA in LV: Ministry of Environmental Protection and regional Development /Internal Audit Department, Latvia	Ms Zanda Janušauska	
	SLA in NO: Office of the Auditor General of Norway	Mr Tor Digranes	
	SLA in PL: Ministry of Finance, Poland	Mr Dominik Zalewski	Dominik.Zalewski@mf.gov.pl
	SLA in RU: Ministry of Finance of the Russian Federation / Department of International Financial Relations	Mr. Andrey Bokarev	
	SLA in SE: Swedish National Financial Management Authority	Ms Ulrika Bergelv	
	SLA on Åland (FI): National Audit Office of Åland	Mr Dan Bergman	
Body to which the payments are to be made by the Commission	Schleswig-Holstein (IB.SH)	Susanne Scherrer (Director MA/JS of Interreg Baltic Sea Region)	info@interreg-baltic.eu

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b)

Investitionsbank Schleswig-Holstein (IB.SH) has been nominated by the Joint Programming Committee as Managing Authority and Joint Secretariat (MA/JS) for Interreg Baltic Sea Region for the funding period 2021-2027.

IB.SH is a non-profit making public development bank owned by the German Federal State (Land) Schleswig-Holstein. The tasks of the MA/JS will be carried out by IB.SH's department Interreg Baltic Sea Region located in Rostock/Germany, which has been responsible for the management of transnational cooperation programmes in the region since 1997.

The MA/JS will be operated as a joint functional unit led by one director. The MA/JS will have international staff, preferably with professional work experience from the Baltic Sea region, and will communicate in the programme language English. Staff of the MA/JS will be employed by the IB.SH.

The MA/JS will in particular assist the monitoring committee in carrying out its functions. It will be the main contact point for the public interested in the Programme, potential beneficiaries and selected/running operations. In particular it will, as defined in Art. 45 (2) of the Interreg regulation, provide information to potential beneficiaries about funding opportunities and shall assist beneficiaries and partners in the implementation of operations. Where appropriate the MA/JS will also assist the Audit Authority. Such assistance to the Audit Authority is strictly limited to administrative support as for example provision of data for drawing of the audit sample by the European Commission, cooperation on preparation and follow up of the group of auditors meetings, ensuring the communication flow between different bodies involved in the second level audit. This support does not interfere with the tasks of the audit authority as defined in the Art. XX of the Regulation (EU) No XX (CPR).

The work of the MA/JS will be based on the principles of transparency, accountability and predictability to make sure that best use will be made of European taxpayers' money.

The MA/JS will be financed from the TA budget of the Programme. Until the European Commission will approve the Programme all preparatory activities will be financed from the predecessor Programme.

Management verifications, role of controllers

Management verifications according to Article 46(4) of Regulation (EU) [new Interreg Regulation] of expenditure other than those under the simplified cost option scheme will be carried out by a body or person (the controller) designated by the participating country responsible for this verification on its territory. MA/JS shall satisfy itself that expenditure of each beneficiary participating in an operation has been verified by a controller. More details will be stipulated in the Programme Manual.

Management verifications (controls) according to Article 46(4) of Regulation (EU) [new Interreg Regulation] of expenditure under the simplified cost option scheme will be carried out by MA/JS. MA/JS may involve the designated controllers of participating countries in verification of expenditure declared under the simplified cost option scheme.

Each participating country shall designate the controller(s) responsible for carrying out the verifications of expenditure of the beneficiaries on its territory.

The method of designation of controllers will be decided upon by each participating country separately and may vary between the participating countries.

Any designation or recall of a controller shall be reported to the MA/JS.

7.3 Apportionment of liabilities among participating Member States and where applicable, the third countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission

Reference: Article 17(7)(c)

Reduction and recovery of unduly paid funds from beneficiaries

The managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the project via the lead partner. Project partners shall repay the lead partner any amounts unduly paid. The managing authority shall also recover funds from the lead partner (and the lead partner from the project partner) following a termination of the subsidy contract in full or in part based on the conditions defined in the subsidy contract.

If the lead partner does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead partner or project partner, the EU Member States on whose territory the beneficiary concerned is located or, in the case of an EGTC, is registered, shall reimburse the managing authority based on Article 52 of Regulation (EU) [new Interreg Regulation]. Details on the procedure will be included in the description of the management and control system to be established in accordance with Article 63 of Regulation (EU) [CPR]. In accordance with Article 52 of Regulation (EU) [new Interreg Regulation] once the EU Member States reimbursed the MA/JS any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law. This applies also to Norway.

Provisions concerning Article 52 (5) of Regulation (EU) [new Interreg Regulation] will be included at a later stage, in coordination with the Member States, the European Commission, other transnational programmes and Interact.

In case of unlawful aid (State aid) further requirements for recovery of unlawful aid (State aid) shall be fulfilled. The details will be laid down in the procedure described in the Programme Manual.

The MA/JS shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the participating Member States as laid down in the Programme and in Article 52 of Regulation (EU) [new Interreg Regulation].

With regard to financial corrections imposed by the MA/JS or the Commission on the basis of Articles 97 or 98 of Regulation (EU) [CPR], financial consequences for the EU Member States are laid down in the section “liabilities and irregularities” below. Any related exchange of correspondence between the Commission and an EU Member State will be copied to the MA/JS. The MA/JS will inform the audit authority/group of auditors where relevant.

Liabilities and irregularities

Each EU Member State is responsible for reporting of irregularities committed by lead partners or project partners located on its territory to the European Commission (OLAF) and at the same time to the MA/JS. Each EU Member State shall keep the European Commission as well as the MA/JS informed of any progress of related administrative and legal proceedings. The MA/JS will ensure the transmission of information to the Audit Authority.

If MA/JS suspects an irregular use of granted funds by a lead partner or any other partner of an operation, it shall inform the competent national administrations or relevant MC members.

If irregularities were discovered by any other Programme body or national authorities, these shall inform the MA/JS without any delay either.

The methodology of notification and decision about irregularities as well as the recovery of funds unduly spent on project level will be laid down in the Programme Manual.

In addition to the recovery procedure a (partial) termination of the Subsidy Contract is an option to proceed. Further proceedings related to the (partial) termination shall be dealt with in the Subsidy Contract/Programme Manual.

Where the MC in agreement with the MA and the participating country concerned decides that IB.SH shall initiate or continue legal proceedings to recover amounts unduly paid from a lead partner or project partner, the participating country which would be liable according to Article 52 of Regulation (EU) [new Interreg Regulation] undertakes to reimburse the IB.SH the judicial costs and costs arising from the proceedings, on presentation of documentary evidence, even if the proceedings are unsuccessful. It will always be the participating country concerned covering the costs of legal proceedings.

The participating country shall bear liability in connection with the use of the Programme ERDF, ENI and Norwegian funding as follows:

- Each participating country will bear liability for project related expenditure granted to project partners located on its territory.
- In case of a systemic irregularity or financial correction (decided by the Programme authorities or the Commission), the EU Member State will bear the financial consequences in proportion to the relevant irregularity detected on the respective Member State territory. Where the systemic irregularity or financial correction cannot be linked to a specific EU Member State territory, the Member State shall be responsible in proportion to the ERDF contribution paid to the respective national project partners involved in the Programme.
- According to Article 27 of Regulation (EU) [new Interreg Regulation] the TA is calculated by applying a flat rate to the eligible project expenditure declared to the Commission. Consequently, the liability for the TA expenditure is regulated according to the principles applicable for project related expenditure, systemic irregularities or financial corrections. These may also be applied to TA corrections as they are the direct consequence of corrections related to project expenditure.

Non-respect of the agreed provisions and deadlines – sanctions

Inter alia the agreed provisions concern national responsibilities related to eligibility and legal status checks and national approval of beneficiaries, projects assessments, audit and control systems, apportionment of liabilities related to co-financing the TA, financial corrections and recovery procedures.

In the event of non-respect of the agreed provisions the cases shall be treated case by case. If a participating country does not comply with its duties, the MA is 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 stipulated in the Subsidy Contract and the Programme Manual.

8. Use of unit costs, lump sums, flat rates and financing not linked to costs

Reference: Articles 88 and 89 CPR

Table 11: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 88 and 89	YES	NO
From the adoption, the Programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 88 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input type="checkbox"/>
From the adoption, the Programme will make use of financing not linked to costs according to Article 89 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input type="checkbox"/>

APPENDICES (not yet developed)

Appendix 1: Map of the programme area

Appendix 2: Union contribution based on unit costs, lump sums and flat rates

Appendix 3 Union contribution based on financing not linked to costs

Appendix 3a: List of planned operations of strategic importance with a timetable

A. Summary of the main elements

Priority	Fund	<i>The amount covered by the financing not linked to costs</i>	Type(s) of operation	Conditions to be fulfilled/results to be achieved	Corresponding indicator name(s)		Unit of measurement for the indicator	[Envisaged reimbursement to the beneficiaries] ¹⁵
					Code	Description		
The overall amount covered								

¹⁵ The Council partial mandate added this column in line with CPR Block 6. Without prejudice to further alignment on the outcome of the interinstitutional agreement on CPR Block 6.

B. Details by type of operation (to be completed for every type of operation)

Types of operation:

1.1. Description of the operation type			
1.2 Priority vs Specific objective(s) concerned			
1.3 Conditions to be fulfilled or results to be achieved			
1.4 Deadline for fulfilment of conditions or results to be achieved			
1.5 Indicator definition for deliverables			
1.6 Unit of measurement for indicator for deliverables			
1.7 Intermediate deliverables (if applicable) triggering reimbursement by the Commission with schedule for reimbursements	Intermediate deliverables	Date	Amounts
1.8 Total amount (including EU and national funding)			
1.9 Adjustment(s) method			
1.10 Verification of the achievement of the result or condition (and where relevant, the intermediate deliverables) - describe what document(s) will be used to verify the achievement of the result or condition - describe what will be checked during management verifications (including on-the-spot), and by whom - describe what arrangements there are to collect and store the data/documents			
1.10a Use of grants in the form of financing not linked to costs. <u>Does the grant provided by Member State to beneficiaries</u>			

<i>take the form of financing not linked to costs? [Y/N]</i> ¹⁶	
1.11 Arrangements to ensure the audit trail Please list the body(ies) responsible for these arrangements.	

new Appendix 3a

Appendix 3a: List of planned operations of strategic importance *with a timetable* - Article 17(4)

Text field [2 000]

¹⁶ **The Council's partial mandate added point 1.10a, which was amended to improve clarity.**