

## SFC2021 INTERREG Programme

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Last year	2027
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NUTS regions covered by the programme	FRJ - Occitanie FRJ1 - Languedoc-Roussillon FRJ11 - Aude FRJ12 - Gard FRJ13 - Hérault FRJ14 - Lozère FRJ15 - Pyrénées-Orientales FRJ2 - Midi-Pyrénées FRJ21 - Ariège FRJ22 - Aveyron FRJ23 - Haute-Garonne FRJ24 - Gers FRJ25 - Lot FRJ26 - Hautes-Pyrénées FRJ27 - Tarn FRJ28 - Tarn-et-Garonne FRL - Provence-Alpes-Côte d'Azur FRL0 - Provence-Alpes-Côte d'Azur FRL01 - Alpes-de-Haute-Provence FRL02 - Hautes-Alpes FRL03 - Alpes-Maritimes FRL04 - Bouches-du-Rhône FRL05 - Var FRL06 - Vaucluse FRM - Corse FRM0 - Corse FRM01 - Corse-du-Sud

FRM02 - Haute-Corse  
ITC3 - Liguria  
ITC31 - Imperia  
ITC32 - Savona  
ITC33 - Genova  
ITC34 - La Spezia  
ITF3 - Campania  
ITF31 - Caserta  
ITF32 - Benevento  
ITF33 - Napoli  
ITF34 - Avellino  
ITF35 - Salerno  
ITF4 - Puglia  
ITF43 - Taranto  
ITF44 - Brindisi  
ITF45 - Lecce  
ITF46 - Foggia  
ITF47 - Bari  
ITF48 - Barletta-Andria-Trani  
ITF5 - Basilicata  
ITF51 - Potenza  
ITF52 - Matera  
ITF6 - Calabria  
ITF61 - Cosenza  
ITF62 - Crotone  
ITF63 - Catanzaro  
ITF64 - Vibo Valentia  
ITF65 - Reggio di Calabria  
ITG - Isole  
ITG1 - Sicilia  
ITG11 - Trapani  
ITG12 - Palermo  
ITG13 - Messina  
ITG14 - Agrigento  
ITG15 - Caltanissetta  
ITG16 - Enna  
ITG17 - Catania  
ITG18 - Ragusa  
ITG19 - Siracusa  
ITG2 - Sardegna  
ITG2D - Sassari  
ITG2E - Nuoro  
ITG2F - Cagliari  
ITG2G - Oristano  
ITG2H - Sud Sardegna  
ITI1 - Toscana  
ITI11 - Massa-Carrara  
ITI12 - Lucca  
ITI13 - Pistoia  
ITI14 - Firenze  
ITI15 - Prato  
ITI16 - Livorno  
ITI17 - Pisa  
ITI18 - Arezzo

ITI19 - Siena  
ITI1A - Grosseto  
ITI4 - Lazio  
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ITI42 - Rieti  
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ITI44 - Latina  
ITI45 - Frosinone  
TR2 - Batı Marmara  
TR21 - Tekirdağ, Edirne, Kırklareli  
TR211 - Tekirdağ  
TR212 - Edirne  
TR213 - Kırklareli  
TR22 - Balıkesir, Çanakkale  
TR221 - Balıkesir  
TR222 - Çanakkale  
TR3 - Ege  
TR31 - İzmir  
TR310 - İzmir  
TR32 - Aydın, Denizli, Muğla  
TR321 - Aydın  
TR322 - Denizli  
TR323 - Muğla  
TR33 - Manisa, Afyonkarahisar, Kütahya, Uşak  
TR331 - Manisa  
TR332 - Afyonkarahisar  
TR333 - Kütahya  
TR334 - Uşak  
TR6 - Akdeniz  
TR61 - Antalya, Isparta, Burdur  
TR611 - Antalya  
TR612 - Isparta  
TR613 - Burdur  
TR62 - Adana, Mersin  
TR621 - Adana  
TR622 - Mersin  
TR63 - Hatay, Kahramanmaraş, Osmaniye  
TR631 - Hatay  
TR632 - Kahramanmaraş  
TR633 - Osmaniye  
DZ001 - Ain-Temouchent  
DZ002 - Alger  
DZ003 - Annaba  
DZ004 - Bejaia  
DZ005 - Boumerdes  
DZ006 - Chlef  
DZ007 - El-Tarf  
DZ008 - Jijel  
DZ009 - Mostaganem  
DZ010 - Oran  
DZ011 - Skikda  
DZ012 - Tipaza  
DZ013 - Tizi Ouzou  
DZ014 - Tlemcen

PS - Palestine  
EL3 - Αττική  
EL30 - Αττική  
EL301 - Βόρειος Τομέας Αθηνών  
EL302 - Δυτικός Τομέας Αθηνών  
EL303 - Κεντρικός Τομέας Αθηνών  
EL304 - Νότιος Τομέας Αθηνών  
EL305 - Ανατολική Αττική  
EL306 - Δυτική Αττική  
EL307 - Πειραιάς, Νήσοι  
EL4 - Νησιά Αιγαίου, Κρήτη  
EL41 - Βόρειο Αιγαίο  
EL411 - Λέσβος, Λήμνος  
EL412 - Ικαρία, Σάμος  
EL413 - Χίος  
EL42 - Νότιο Αιγαίο  
EL421 - Κάλυμνος, Κάρπαθος – Ηρωική Νήσος  
Κάσος, Κως, Ρόδος  
EL422 - Άνδρος, Θήρα, Κέα, Μήλος, Μύκονος,  
Νάξος, Πάρος, Σύρος, Τήνος  
EL43 - Κρήτη  
EL431 - Ηράκλειο  
EL432 - Λασιθί  
EL433 - Ρέθυμνο  
EL434 - Χανιά  
EL5 - Βόρεια Ελλάδα  
EL51 - Ανατολική Μακεδονία, Θράκη  
EL511 - Έβρος  
EL512 - Ξάνθη  
EL513 - Ροδόπη  
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EL515 - Θάσος, Καβάλα  
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EL522 - Θεσσαλονίκη  
EL523 - Κιλκίς  
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EL525 - Πιερία  
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EL527 - Χαλκιδική  
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EL532 - Καστοριά  
EL533 - Φλώρινα  
EL54 - Ήπειρος  
EL541 - Άρτα, Πρέβεζα  
EL542 - Θεσπρωτία  
EL543 - Ιωάννινα  
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EL633 - Ηλεία  
EL64 - Στερεά Ελλάδα  
EL641 - Βοιωτία  
EL642 - Εύβοια  
EL643 - Ευρυτανία  
EL644 - Φθιώτιδα  
EL645 - Φωκίδα  
EL65 - Πελοπόννησος  
EL651 - Αργολίδα, Αρκαδία  
EL652 - Κορινθία  
EL653 - Λακωνία, Μεσσηνία  
TN001 - Ariana  
TN002 - Beja  
TN003 - Ben Arous  
TN004 - Bizerte  
TN005 - Gabes  
TN006 - Gafsa  
TN007 - Jendouba  
TN008 - Kairouan  
TN009 - Kebili  
TN010 - Le Kef  
TN011 - Mahdia  
TN012 - Manouba  
TN013 - Medenine  
TN014 - Monastir  
TN015 - Nabeul  
TN016 - Sfax  
TN017 - Sidi Bouz  
TN018 - Siliana  
TN019 - Sousse  
TN020 - Tataouine  
TN021 - Tunis  
TN022 - Zaghouan  
LB - Lebanon  
CY0 - Κύπρος  
CY00 - Κύπρος  
CY000 - Κύπρος  
EG001 - Al Buhayrah (behera)  
EG002 - Al Daqahliyah (dakahlia)  
EG003 - Al Iskandariyah (alex.)  
EG004 - As Ismailiyah (ismailia)  
EG005 - Ash Sharqiyah (sharkia)  
EG006 - Bur Said (port Said)  
EG007 - Dumyat (damietta)  
EG008 - Governorate of Cairo  
EG009 - Kafr-el-sheikh  
EG010 - Matruh

	JO001 - Ajloun JO002 - Amman JO003 - Aqaba JO004 - Balqa JO005 - Irbid JO006 - Jarash JO007 - Karak JO008 - Ma'an JO009 - Madaba JO010 - Mafraq JO011 - Tafiela JO012 - Zarqa IL - Israel ES5 - Este ES51 - Cataluña ES511 - Barcelona ES512 - Girona ES513 - Lleida ES514 - Tarragona ES52 - Comunitat Valenciana ES521 - Alicante/Alacant ES522 - Castellón/Castelló ES523 - Valencia/València ES53 - Illes Balears ES531 - Eivissa y Formentera ES532 - Mallorca ES533 - Menorca ES6 - Sur ES61 - Andalucía ES611 - Almería ES612 - Cádiz ES613 - Córdoba ES614 - Granada ES615 - Huelva ES616 - Jaén ES617 - Málaga ES618 - Sevilla ES62 - Región de Murcia ES620 - Murcia ES63 - Ciudad de Ceuta ES630 - Ceuta ES64 - Ciudad de Melilla ES640 - Melilla MT0 - Malta MT00 - Malta MT001 - Malta MT002 - Gozo and Comino/Ghawdex u Kemmuna PT15 - Algarve PT150 - Algarve
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## 1. Joint programme strategy: main development challenges and policy responses

### 1.1. Programme area (not required for Interreg C programmes)

Reference: point (a) of Article 17(3), point (a) of Article 17(9)

The Interreg NEXT Mediterranean Sea Basin Programme (Interreg NEXT MED) covers the two shores of the Mediterranean and is the largest cooperation programme on the EU external border implemented under the transnational strand of the European Territorial Cooperation.

As compared to the previous programming periods, in 2021-2027 Interreg NEXT MED will expand its territorial and financial size to cover 15 countries with an increased budget allocation of more than 253 mln euro.

The overall geography is dominated by the Mediterranean Sea Basin, one of the largest semi-enclosed seas with its 46,000 km of coastline and home to approximately 460 million people, of which 1/3 concentrated in the coastal area. More than half of the total population lives in countries in the southern Mediterranean, and this proportion is expected to significantly grow by 2025.

The region is warming at a rate 20% higher than the rest of the world, having effects already visible with the multiplication of extreme natural phenomena.

Even if the majority of the Mediterranean Partner Countries have lower levels of GDP per capita than the EU Mediterranean Countries, the structure of the economies have some complementarity. Key sectors in the region include agriculture and agri-food; construction, chemicals and plastics, tourism, cultural and creative industries, energy, wider green -blue growth.

Sustainable growth and the alleviation of high unemployment and poverty levels are crucial aspects to be addressed given the disparities in human and economic development. There is an essential need for establishing holistic strategies that can lead to improved policies and investments in the education systems, entrepreneurial ecosystem, technology infrastructure and health care to bring social and political tranquility to the region.

Albeit countries' specificities, the Mediterranean basin is a coherent geographical area characterized by common trails facing governance, socio-economic, human, climatic and environmental challenges. This calls for joint actions by the territories on both shores of the Mediterranean, Interreg NEXT MED intends to preserve this common living space and its unique ecosystem by offering all actors concerned a framework to face common challenges providing an unprecedented opportunity of mutually beneficial cooperation.

1.2 Joint programme strategy: Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other funding programmes and instruments, 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: point (b) of Article 17(3), point (b) of Article 17(9)

## Introduction

Building on the positive cross-border cooperation experiences of the previous two programming periods, the Interreg NEXT MED Programme will continue supporting the Euro-Mediterranean cooperation in a transnational dimension both as a tool of the EU regional development policy and as part of European Neighbourhood Policy aiming to establish an area of prosperity and good neighbourliness. The principles of mutual accountability, shared ownership and responsibility are the roots of this cooperation between the EU and its neighbouring countries.

The Interreg NEXT MED Programme upholds the ambition to continue contributing to the development of the Mediterranean Sea basin by enhancing partnerships, promoting policy dialogue and collective responses to challenges of global concern, backing the United Nations Sustainable Development Goals within the Agenda 2030, the New European Agenda for the Mediterranean, the joint priorities for cooperation set by the European Neighbourhood Policy as well as EU bilateral cooperation with the Neighbourhood countries set within Joint Documents and Multiannual indicative programmes. The vision of the Programme is to contribute to the achievement of smart, sustainable, fair development for all across the Mediterranean basin by supporting balanced, long-lasting, far-reaching cooperation and multilevel governance.

Through a broad multi-step analysis and consultation process involving national authorities, key stakeholders and regional actors, the participating countries have identified the following policy objectives that best reflect the common challenges of the cooperation area:

- **A more competitive and smarter Mediterranean** by promoting innovative and smart economic transformation through Research and Innovation (R&I), sustainable growth and Micro, Small and Medium Enterprises (MSMEs) competitiveness to help reduce disparities and contribute to socio-economic integration;
- **A greener, low-carbon and resilient Mediterranean** supporting the transition towards a net zero carbon economy by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation;
- **A more social and inclusive Mediterranean** to provide learning opportunities, ensure equal opportunities and socio-economic integration and also to improve access to health care through the use of digitalization and technological innovation;
- **A better cooperation governance for the Mediterranean** by promoting joint activities for knowledge sharing, enhancing cooperation with partners and the institutional capacity of public authorities and stakeholders.

The identification of these common challenges relies and takes into account the following factors:

- i. the outcomes of the territorial analysis of the cooperation area including the relevant statistics also reported in this Programme document;
- ii. the consultation process with the participating countries and the programme stakeholders;
- iii. a reflection on the lessons learnt from the previous two programming periods, coming from the experiences gained both at programme and project level as well as the previous coordination experience;
- iv. the strategic decisions taken by the Task Force;
- v. the exploitation of new potential synergies and complementarities with the key Interreg programmes and with some of the main initiatives implemented in the cooperation area.

Interreg NEXT MED will ensure during the preparation, implementation, monitoring, reporting and evaluation stages the compliance with the relevant horizontal principles. The Programme will ensure the climate target contribution of 31,65%. Beneficiaries should be encouraged to use more quality-related and lifecycle cost criteria. When feasible, environmental (e.g. green public procurement criteria) and social considerations as well as innovation incentives should be incorporated into public procurement procedure (including professionalization efforts to address capacity gaps).

In line with the partner countries' relevant national laws and regulations, the Programme and projects implementation will be driven by the principles contained in article 9 of the Common Provisions Regulation (including the respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and the "do no significant harm" principle). Where applicable, the Programme will promote the New European Bauhaus key principles, meaning support to projects that are sustainable, aesthetic and inclusive.

### **The Mediterranean context: territorial socio-economic and environmental challenges**

There are significant socio-economic disparities across the Mediterranean Sea basin area. The majority of the **Mediterranean Partner Countries (MPCs)** have levels of GDP per capita that are 3-5 times lower than those of the **EU Mediterranean Countries (EUMCs)**. Whilst EUMCs have demonstrated some recovery from the financial crisis in the last five years, the MPCs have experienced more volatile growth with insufficient productivity gains and innovation. Estimates of GDP percentage change for 2020 show significant falls for all countries, reflecting the impact of the COVID-19 pandemic. The pandemic has had long-lasting and severe consequences for businesses, jobs, commodity prices, value chains, as well as education and inequality; and a variable or asymmetrical territorial and sectoral impact. The Mediterranean area is expected to be among the regions most affected by the pandemic, whilst developing countries are more likely to have limited capacity to deal with a health crisis of this magnitude as well as limited policy space to absorb the macroeconomic impact.

In many parts of the Mediterranean spatial and societal inequalities are increasing. A growing portion of the population is at risk of poverty and there is significant disparity in relation to the quality of and access to education and health services and infrastructure as well as employment opportunities.

Young people, women and rural populations particularly face significant employment challenges including decent work deficits, low labour force participation and a difficult transition from school to work with many turning to informal work. The programme area suffers from high rates of unemployment due to low levels of economic growth, research and innovation creation and diffusion, and the lack of a vibrant private sector and start-up and business ecosystem. The pace of job creation for new labour market entrants is too low for the high number of new entrants to the labour market to be absorbed, especially in the MPCs where 70% of the working age population is under 30 years of age, corresponding to 2.8 million young people entering the labour market every year. The biggest challenge of the Mediterranean area is the creation of employment and reduction of unemployment, especially in the wake of the COVID-19 crisis which is expected to have a disproportionate impact upon the most vulnerable sections of society.

A key factor is education and skills, with skill gaps and mismatches and unequal access to education and training hindering productivity, technological diffusion and growth and the creation of high-quality jobs. Equal access to educational opportunities that enable improved skills sets, social mobility, workforce adaptability and relevance in the face of economic restructuring, COVID-19 consequences or the green and digital transition is critical to preventing unemployment and reducing poverty and inequalities. Meanwhile, the COVID-19 public health crisis has highlighted the fragility and inequality of access across health and social care services and of health profiles with unmet needs for medical care, disparities in availability and quality of and access to healthcare and insufficient capacity in terms of facilities and equipment.

The environment is characterized by common aspects but also significant disparities across the Mediterranean Sea Basin area. The largest common feature of the area is the Mediterranean Sea itself, one of the largest semi-enclosed seas and home to approximately 500 million people across Africa, Asia and

Europe (app. 150 million in the direct coastal regions). It surrounds 21 states with 46.000 km of coastline (EEA, 2014, UNEP/MAP, 2016). The Sea is a crucial factor for several economic activities. It is the cradle of several past and present cultures but also the most important absorber of pressures from human activities around it. On the other hand, resources, especially water, are unequally distributed with the EUMCs being better endowed while the MPCs are subject to increasing pressures due to a growing population and changing lifestyles.

A large number of relevant strategic documents like the Report on the State of the Mediterranean Marine and Coastal Environment (UNEP/MAP 2012), the Horizon 2020 Mediterranean report (EEA, 2014), the Mediterranean Strategy for Sustainable Development 2016-2025 (UNEP/MAP, 2016), the Mediterranean Quality Status Report (UNEP/MAP, 2017), the first Scientific Report on Climate and Environmental Change in the Mediterranean (by Mediterranean Experts on Climate and environmental Change MedECC/2020) and numerous scientific papers identify a number of key features of the environmental issues of the area. These are:

- the diverse landscape, a semi-closed marine environment with very long circulation pattern ranging between 80 and 100 years and an uneven distribution of resources across the northern and the southern coasts. As a consequence, environmental action must give the priority to implement initiatives that minimize flows, discharges and disposals into this environment and take into account the north-south disparities.
- the population growth on the southern coast and stability or slight decline in the northern coast. On both rims of the Mediterranean, there is an increasing demand for resources for maintaining or acquiring a desired lifestyle. In combination with tourism, the area suffers from an ecological footprint higher than the global average. As a consequence, joint investments are needed to support initiatives that increase efficiency (energy, water and material resources in general) and enhance a fair use of resources along the north-south divide.
- the area intense human activity, namely urban expansion and sprawl, extension of activities in the marine ecosystem like transport, fishing, leisure, renewable energy sources (RES) exploitation, increase in solid waste production, energy demand, water consumption and waste water discharges. As a consequence, environmental action must promote initiatives that increase coordination, minimize spatial impacts, reduce or eliminate discharges, use existing infrastructure efficiently and enhance circular economy principles.
- the environment is subject to pollution and contamination, invasion of non-indigenous species, overexploitation of fish stocks, nutrient releases and eutrophication, land/sea take and habitat fragmentation and degradation, etc. The most relevant investments should be devoted to carry out initiatives that address the entire cycle of human interaction with nature and reduce or eliminate impacts across the entire cycle of utilisation for all sectors e.g., water, energy, agriculture, tourism, manufacturing etc.
- the Mediterranean region and in particular its coastal zones are severely affected by extreme climatic events (e.g., storm surges, wildfires), coupled with human-induced pressures (e.g., uncontrolled building on coasts), resulting in growing vulnerability. Consequently, environmental action is needed to promote initiatives that address climate change adaptation and resilience management in a holistic, multi-sector, multi-level governance manner.
- the area has a big potential for boosting the green and the circular economy, however there is still low adoption and adaptation of green technologies. Transnational initiatives are required to promote resource efficiency, life cycle approaches, circular economy in a holistic, multi-sector, multi-level governance manner in line with the global environmental agenda (UN Sustainable Development Goals, EU Green Deal, etc.) and regional frameworks such as the Union for the Mediterranean's '2030 GreenerMed Agenda', the Sustainable Blue Economy Communication of the EC and the recent Declaration of the Union for the Mediterranean Ministerial Conference on Environment and Climate Action (Cairo, 4 October 2021).

Therefore, the challenges for the programme area are to increase awareness, capacity and implementation options for:

- resource-efficient and locally-adapted growth with emphasis on energy, water, resilience and circular economy approaches;
- the reduction or elimination of environmental impacts through the use of locally adapted behaviors, standards and technologies with emphasis on holistic management approaches and multi-level governance especially in the fields of energy, water and waste management;
- effective climate change adaptation, risk reduction and disaster response management in a coordinated holistic, multi-sector, multi-level governance manner:
- adapting the above to the local needs and capabilities of the areas concerned taking into account both common issues and disparities in terms of existing environmental conditions, future trajectories, capacities, structures and operation cultures, resources and the enabling environment of all participating regions.

## **1.A more competitive and smarter Mediterranean**

### *Boosting research and innovation (R&I)*

The programme area is characterised by low levels of expenditure on research and development (R&D) and low levels of R&D intensity at regional level, but with significant disparities in innovation capacity, culture and diffusion across the Mediterranean space. R&D intensity at regional level in the eligible programme area is less than 1% compared to 2.04% EU average (Eurostat), with few clusters of scientific and technological excellence concentrated around company research facilities, science parks and universities. There are low relative shares of R&D science and technology related personnel in the workforce and amongst recent graduate cohorts: the lowest levels of Human Resources in Science and Technology (HRST) in the EU are found in Mediterranean regions and similarly., MPCs graduate fewer students in STEM (science, technology, engineering and mathematics) per year compared to other regions (Eurostat, Menara). Moreover, the Programme area tends to demonstrate low proficiency in diffusing and commercialising inventions .

Innovation performance is increasing at a modest pace within the EU, on average by 8.9% since 2012, with growing convergence between Member States who are mostly moderate innovators on the European Research and Innovation Scoreboard. Nevertheless, Europe is considered to face an innovation deficit.

MPCs investment in innovation has tended to be weak, with poor performance against GERD (gross domestic expenditure on R&D), R&D intensity, patents applications, and number of scientific journal publications. R&D expenditure and human capital are linked to GDP growth and sustained economic growth requires policies that foster innovation: a 10% increase in R&D expenditure in developing countries can lead to an increase GDP by 4%. A crucial role can be played by research and innovation in creating new jobs, boosting resilience, competitiveness, economic and digital transformation and in ensuring a sustainable and inclusive recovery.

The challenges of the Programme area are to:

- strengthen R&D and entrepreneurial capacities of research organisations and business in order to boost research and innovation capacity, diffusion and employment. These are critical levers to ensure a sustainable and inclusive recovery, to boost resilience and ensure economic transformation of the Mediterranean and lead the green and digital transitions.
- stimulate cooperation between academia, business and other innovation actors and the development of international collaboration, clustering and networking in common areas of specialization. The ensuring research and cross-sectoral collaboration should be focused upon business priorities and needs to enable adaptation and preparedness for changing economic, social and environmental challenges.
- enhance the development, exploitation, transfer and commercialisation of innovative research outcomes and the uptake of all types of innovation and technology, including manufacturing, product/process/service and organisational innovation. The emergence and uptake of new sustainable technologies and social innovations will reinforce sustainability and resilience across the Mediterranean area and enhance adaptation to climate change and the transition to a low carbon economy.

The Interreg NEXT MED Programme will look to reduce gaps in research and innovation capacity and ensure less-developed territories as well as their innovation actors learn from and collaborate with their more advanced neighbours. Mediterranean regions need to improve their business productivity, access new higher-value markets and create employment, whilst enhancing social inclusion, environmental sustainability and digital transformation.

*Improving micro, small and medium sized enterprises (MSMEs) competitiveness, internationalisation, innovation, productivity and entrepreneurship*

Levels of innovation and entrepreneurship are low in much of the Programme area, although significant divergences in innovation and entrepreneurial culture and capacity are evident. MSMEs have the potential to be key drivers in a more sustainable and inclusive model of economic growth and employment, representing more than 90% of enterprises, creating more than 80% of jobs and offering an opportunity for the large number of unemployed people to enter the labour market.

Divergences exist across the Programme area in terms of the share of people employed by small enterprises, enterprise birth rates, startups and their survival rates and the participation of MSMEs in innovation activities. For example, in EUMCs in 2017 the share of people employed by small enterprises was highest in Portugal (61%) and Spain (58%), and in France was much lower at 40.6%. Enterprise birth rates in 2017 ranged among the EUMCs from 4.5% in Greece to 15.8 % in Portugal (Eurostat). Variations are partly explained by differing industry trends, but also by opportunities for entrepreneurship, the business support ecosystem and factors such as the ease of doing business.

Greater numbers of fast-growing start-ups need to be created, productivity and output levels raised, in order to tackle un- or under-employment and lead to more robust, inclusive and poverty-reducing growth. MSMEs develop more easily and become more competitive where they are located within regional innovation ecosystems and clusters with favourable conditions and access to support services. Technology take-up, ongoing upskilling/reskilling to increasingly match labour skills with business needs and the internationalisation of MSMEs is key to their improved productivity performance and competitiveness, especially in peripheral regions with more challenging conditions.

Digitalisation is helping to reduce territorial and societal disparities through overcoming individuals' obstacles to entering the labour force, enabling start-ups to be launched from home and new markets to be reached online. Varying weaknesses are apparent across the Programme area, from low overall connectivity and business use of e-commerce in Greece to low levels of basic and advanced digital skills in Italy, Cyprus and Greece. In 2017, just 8% of businesses in MENA had a digital presence and only 1.5% of MENA's retail sales were online (DESI, World Bank). The digitalisation of MSMEs, and their increased use of digital products, services and applications, and the human capital dimension, impacts positively on productivity growth at firm and industry level.

The challenges of the Programme area are to:

- improve job creation and the incorporation of unemployed people and new entrants into the labour force through increased MSME creation, innovation, competitiveness, productivity and entrepreneurship. Greater numbers of fast-growing start-ups need to be created, productivity and output levels raised, especially in MSMEs, in order to tackle the decent work deficit in the region and lead to more robust, inclusive and poverty-reducing growth.
- increase transnational inter-firm networking and cluster coordination through stimulating opportunities for networking and collaboration internationally and with other innovation stakeholders. Weak networking and low export promotion activities in the international market are barriers to international operation and MSME engagement in global value chains.
- improve entrepreneurial and management skills of MSME employees, especially in relation to the digital and green transitions and economic transformation. Key factors affecting business growth and innovation are skills-related, such as the ability to operate internationally (transnationally) and digitally (e-commerce).
- improve business environments and innovation ecosystems ensuring adequate business development

services that lead to the uptake of new technologies and innovations and internationalisation opportunities. Entrepreneurs are most successful where they have access to the human, financial and professional resources that they need and where policy measures support and safeguard their needs.

- reinforce regional resilience through improving digital access and ability in commerce, and reducing territorial and societal disparities in relation to digital access and ability. Digitalisation has the potential to make a significant impact in relation to territorial and societal disparities, overcoming obstacles to entry in the labour force through enabling start-ups to be launched from home and online engagement to reach new markets.

The Interreg NEXT MED Programme will look to develop an innovation-friendly environment for the needs of businesses through promoting the development of clusters and networking and the transfer of technology and innovation across borders and sectors, providing business services and educational opportunities that are tailored to labour market requirements and that encourage entrepreneurship and the creation and growth of start-ups.

### **A greener, low-carbon Mediterranean**

#### *Increasing energy efficiency and reducing greenhouse gas emissions*

Energy consumption, investments in renewables and energy efficiency are a focus area of policy making in the Programme area. The MPCs are often endowed with rich fossil fuel resources leading to high dependencies (up to 90%) and low interest in renewable energy sources. In EUMCs fossil fuel dependency is also high but the share of renewable energy is on the rise due to a number of EU wide policies and support programmes promoting renewable energy sources and energy efficiency. While in the EUMCs the share spans between 7% and 31% (most regions are in the 10-20% range), MPCs show significant differences with few countries having levels comparable to the EUMCs and the rest having a very low share of renewables in the total energy mix.

Energy demand is rising in the area due to the population growth, especially in MPCs, boosted by lifestyles (e.g., increased mobility, consumption, vacation homes and domestic comforts), urban sprawl and climate change related cooling needs. Entangled with rising energy demand is the issue of energy efficiency; the building stock is old with poor passive and active energy efficiency characteristics. While the situation in the EUMCs is slightly improving partly due to efficiency investments, in the MPCs the overall energy consumption is rising.

Overall, an incomplete and still evolving institutional framework on renewable energy, the competition from fossil fuels, old housing stock and obsolete production and mobility technologies are the biggest obstacles towards the transition to a low carbon economy. Marginal energy consumption decline and decoupling in some states do not suffice to reverse the trend. The renewable energy sources, especially solar power potential offers some relief but it will not be sufficient without making energy efficiency a priority. In view of increasing the impact of energy efficiency-related actions, and considering the significant dependence of countries of the cooperation area on fossil fuels, an integrated approach also taking into account renewable energy will be considered. Actually, for the Mediterranean area the combination of renewables and energy efficiency interventions valuable opportunities. Possible action ranges from strategic decisions on the framework to small-scale applications and adaptation of existing technical solutions.

The challenges of the programme area are to:

- While topics like energy efficiency, renewable energy sources are present in the public discussions, detailed knowledge and awareness is lagging behind on the combination potential of energy efficiency and renewable energy sources solutions. It is necessary to increase awareness regarding the climate change impact, resource consumption trends, energy demand and related emissions and the features of energy efficiency, renewable energy sources and smart energy management among citizens, administration and related economy sectors;
- The areas of energy efficiency, renewable energy sources and their combination are rapidly evolving due to demand and public support. However, many of the technical solutions originate from countries with different frameworks, needs and specifications compared to the programme area. It is necessary to increase cooperation, technology transfer, utilisation of research outcomes and adaptation to local needs

and capacities between research institutions, government, businesses and local stakeholders on low carbon technologies with emphasis on energy efficiency, renewables and in accordance with the EU Green Deal;

- The success of measures in the relevant thematic areas depends a lot on providing “proof of concept”. Practitioners are quick to follow a technical solution if they have seen it working at their peers. Therefore, it is necessary to increase the uptake of relevant technologies through pilots to demonstrate their technical, financial and environmental benefits;
- Last but not least demand for energy efficiency, renewable energy sources and their combination) is self-sustainable only in a mature framework. In an early stage, as in the programme area, the application of relevant technologies is driven by regulation, building codes and performance targets. It is necessary to increase capacity of local stakeholders, public bodies and policy making to integrate energy efficiency and renewable energy sources provisions and standards, climate change mitigation actions and energy performance monitoring in administration and decision making.

#### *Preparing for the climate change: adaptation, risk prevention and ecosystem approach*

Climate change is a crucial issue to hit the area hard as it is considered a climate change hotspot. The uneven distribution of resources is expected to make the blow for the south-eastern part even harder. According to the Intergovernmental Panel on Climate Change (IPCC), by 2050 even a temperature increase of 2-3°C can lead to a summer rainfall decrease up to 35%. This will put for sure a strain in the EUMCs but can be devastating for many regions in the MPCs where water extraction levels are already beyond sustainable levels (in some regions more than 100% of the water that can be naturally replenished each year is consumed). The terrestrial and marine ecosystems and their biodiversity in the area are already impacted with issues regarding rising water temperatures, algae blooms, increasing salinity, invasive species are already affecting sectors like fishing and tourism.

Additionally, pandemics and other health threats are reoccurring events related among others to climate change; as temperatures rise, habitats of viruses and pathogens affecting animals and humans expand and reach new, previously unaffected areas.

Climate change mitigation aspects (i.e., reduction of CO<sub>2</sub> emissions, renewable energies, energy efficiency) are relatively well addressed under energy efficiency policies. Climate change adaptation is key challenge for the area and its importance is not yet fully understood. There are attempts for common regional strategic approach to increasing climate resilience and adaptation capacity, for example the 19th meeting of Contracting Parties (COP19) of the Barcelona Convention endorsed in 2016 the ‘Regional Climate Change Adaptation Framework for the Mediterranean Marine and Coastal Areas’, but they are in an early stage. The area needs to introduce a multi-level, multi-sector, participatory and cross-border approach in adapting to climate change.

The challenges of the Programme area are:

- Climate change impact is still not fully comprehended and it is often understood only as a sectoral aspect (for example less water for agriculture). The multi-level, cross-cutting and long-term impact is often not conceivable. It is necessary to increase awareness on the climate change impact on environment, economy and society, beyond the mitigation context;
- The COVID-19 crisis has clearly demonstrated that civil protection, risk prevention and disaster response are mainly confined to the national borders. While COVID is not, directly, a climate-change impact, it highlighted the limitations for coordinated action against a rapidly expanding threat. Climate change will generate novel hazards, many of them demanding rapid and coordinated response. It is necessary to increase cooperation and capacity for joint response and communication mechanisms and procedures for the promotion of rapid emergency responses, coordinated action and common deployment of civil protection forces.
- Climate change is expected to amplify many hazards already existing in the area (drought, fires, floods, and invasive species and biodiversity losses). Civil protection, risk prevention and disaster response agencies need to reconsider their approaches and protocols that might become obsolete and inefficient rapidly. It is necessary to increase cooperation and capacity through pilots and demonstration

procedures for joint deployment, provide proof of concept and enhance innovation.

- Last but not least, climate change adaptation and risk prevention cannot rely on disaster response entirely; preparatory actions such as ecosystems-based approaches and precautionary planning is much more cost-effective. It is necessary hence to increase capacity of local stakeholders including private sector, public bodies and policy making to integrate climate change adaptation, risk prevention and disaster resilience and performance standards and tools in administration and decision-making.

#### *Matching water demand and water resources*

In the water sector, the Mediterranean area is heavily affected by unevenly distributed water resources (nearly two thirds are in EUMCs), increasingly polluted water bodies, aquifers threatened with depletion, and inefficient distribution systems. Trends indicate that demand will grow due to population increase while climate change will have a negative impact on water availability. Countries faring well for the time being, depend more on the availability of water resources than on integrated water management.

On the water extraction side and taking into account that resources are scarce in some regions, the EUMCs have relatively stable demand (or slight decline) while in the MPCs demand grows or is stable. A strong driver of water demand is agriculture. Countries with developed, export-oriented agricultural sectors are consuming a lot of water; the fresh water abstraction per capita in these countries is up to 5 times the one in more arid regions (up to 1000 cubic meters per capita and year). An often-overlooked factor in water demand is the quality of the water transportation infrastructure, often obsolete and inefficient in the programme area.

Moving to water usage, in all countries, the share of the population using safely managed drinking water services and the share of the population using safely managed sanitation services are relatively high (over 90% in most cases). Waste water collection and treatment show a similar picture. Most countries (approximately 90% in the EUMCs and 85% in the MPCs) have a high level and the rest is catching up rapidly. However, the gap to a satisfying level is still significant and should be seen also in connection to the population dynamics and the metropolisation of some urban areas in the south. Uncontrolled discharges, groundwater and coastal areas overload with nutrients and hazardous spills are and will remain an issue especially at the local level.

Challenges particular to transnational cooperation are:

- Water supply management, needs and water bodies quality are still understood and addressed as sector issues (for example provision of water to agriculture as if it was a non-exhaustible commodity). The multilevel impacts of water use and the water cycle are not integrated in decision making and consumption patterns. It is necessary to increase awareness regarding the climate change impact, the water consumption trends, water resources ecological and quantitative status, water cycle management, water efficiency and rehabilitation of water bodies.
- Technologies and management approaches are rapidly evolving since water scarcity is a global issue. However, many of the technical solutions originate from countries with different frameworks, capacities, needs and specifications. It is necessary to increase co-operation, technology transfer, utilization of research outcomes and adaptation to local needs and capacities and exchange between research institutions, government, businesses and local stakeholders on related to water cycle management, water efficiency for industries and households and rehabilitation of water bodies.
- Investments in water management are costly and benefits need time. Practitioners and utility providers are easier to motivate if they see “proof of concept”, especially where informal networks are essential. It is necessary to increase the uptake of relevant technologies through pilots to demonstrate their technical, financial and environmental benefits.
- Last but not least water cycle management and water efficiency need a mature incentives’, operational and monitoring framework. In an early stage, the application of relevant technologies is driven by regulation, incentives and performance targets. It is necessary to increase capacity of local stakeholders, public bodies and policy making to integrate water efficiency, water saving incentives, water cycle management and water bodies rehabilitation provisions and standards, water-related climate change

adaptation actions, water use monitoring, smart metering and water pricing in administration and decision-making, taking into account existing national policies and regulatory frameworks.

### *Managing the transition towards a circular economy*

Material resources consumption is often regarded as an inevitable side-effect of growth. While EUMCs show tendencies of decoupling economic growth and resources use, many MPCs are still highly dependent on material resources. In many cases, EUMCs show better trends than MPCs because of the economic crisis and the fact that industrial production and related waste production and hazardous activities moved from the intensively regulated north to the south. That said the per capita and year resource consumption in the north remains at least 30% higher than in the south with app 13 tons of resources per capita and year.

Linked to consumption is the generation of waste; overall the trend is rising. Even where waste management and recycling are implemented, “rebound effects” still apply. Landfill disposal remains a mainstay in the region with many negative impacts. (Household) waste separation and handling are poor and organic waste is not processed. Waste generation per capita and year in the MPCs remains low compared to the EUMCs. However, it is rapidly increasing.. On the positive side treatment capacity also grows (mainly collection, compression and eventually water removal). Advanced treatment, like recycling and composting, remains low with important north-south disparities (in average 30% in the north compared to less than 10% in the south).

An aspect relevant to the resources consumption in the Mediterranean is tourism. Tourism sustainability was not the prime aim in the past: everything was about quantitative expansion coupled with high-density facilities and energy intensive activities. Tourism creates peaks of resource consumption and waste generation by the influx of affluent tourists (almost 400 million arrivals in 2019) from the north with established consumption partners residing for a short period of time in regions with limited infrastructure and capacities.

The challenges of the Programme area are:

- Waste management, resource consumption and circular economy approaches are still understood and addressed as isolated sector issues (for example in the context of waste collection and disposal). Recycling offers only temporary relief if the absolute amount of waste is increasing; the amount of waste is already determined in the design phase. The multilevel impacts of resources consumption and the materials cycle are not integrated in decision making, product design and consumption patterns. It is necessary to increase awareness regarding resources life-cycle, the 4R concept (reduction, re-use, recycling and recovery), resource efficiency and sustainability;
- Circular economy requires a holistic approach; technical and managerial solutions are developed worldwide. Lessons learnt elsewhere can easily be adopted. It is necessary to increase co-operation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities and exchange between research institutions, government, businesses and local stakeholders on issues related to resources life-cycle, resource efficiency, recycling and sustainability;
- The adoption of circular economy approaches requires the cooperation of various actors from different sectors. Demonstration of the integration of design, production, consumption, disposal, treatment and re-use or final disposal are essential. Tourism and agriculture are two sectors that can lead by example due to their importance in the programme area. It is necessary to increase the uptake of relevant technologies through pilots to demonstrate their technical, financial and environmental benefits;
- Last but not least circular economy approaches need a mature incentives’, operational and monitoring framework. In an early stage, as is the case in the programme area, the application of relevant technologies is driven by regulation, incentives, performance targets and the public sector acting as a first client. It is necessary to increase capacity of local stakeholders, public bodies and policy making to integrate the 4R concept (reduction, re-use, recycling and recovery), resource efficiency and sustainability in legal provisions and standards and in monitoring in administration and decision making.

## 2.A more social and inclusive Mediterranean

### *Reducing inequalities in and varying access to quality education opportunities*

Access to and completion of quality education, training and learning opportunities is not equal across the Mediterranean, putting some sectors of the population at risk of unemployment, poverty and social exclusion. Young people, women and rural populations face similar challenges including decent work deficits, low labour force participation and a difficult transition from school to work.

Despite high growth rates and better education, MPC's women levels of participation in the labour force have increased little in the last three decades. Female activity rates across the MPCs were lower than those in the EU, and the gender gap in employment rates was also larger, except in Israel. In the majority of EUMCs the gender gap between male and female participation was 10% while in MPCs the gap exceeded 40%.

A growing number of NEETs (young people Not in Employment, Education and Training) across the programme area in recent years reflects not only a lack of jobs, but lack of or unequal access to quality education and mismatches between skills and labour market requirements, especially in the context of the green and digital transitions and economic transformation. In Mediterranean 21% of the population are NEETS with the highest rates in Palestine (33%) and Türkiye (26%) and the lowest (under 10%) in Portugal and Malta (Eurostat). Lower educational attainment is a significant risk factor for disengagement from the labour market and equal access to inclusive quality education is vital for social mobility and the reduction of social disparities. Skill shortages and mismatches linked to new technologies, industrial transition and the transformation of work are apparent in certain territories, sectors and groups.

There remain major inequalities in digital access and skills across the programme territory and low levels of digital literacy and competencies are important obstacles to digital transformation, particularly in rural areas. The pandemic has highlighted new challenges in the access to education linked to the lack of IT equipment and skills for distance learning.

The challenges of the Programme area are to:

- improve the incorporation of unemployed people, new entrants, migrants, asylum seekers and other hard-to-reach groups in education and training opportunities and provide them with skills relevant to the labour market and the green and digital transitions. Reducing social inequalities can only be achieved through ensuring the equal access of disadvantaged groups to quality education and training that responds to labour market needs.
- improve distance learning / e-learning opportunities through the development of digital platforms and infrastructures. ICT has significant potential to reduce disparities across the Mediterranean through the provision of quality online learning opportunities to people regardless of location.
- reinforce regional resilience through improving digital access and ability especially in hard-to-reach and most vulnerable groups. Basic digital skills are increasingly required across the labour force but also in relation to educational opportunities and societal participation, yet digital skills levels remain low and are highly variable across the Mediterranean.
- address barriers to participation in education and training schemes and initiatives, especially amongst hard-to-reach groups, and improve social inclusion and territorial cohesion. Lifting people out of poverty and reducing the social exclusion of certain groups will improve not only the lives of the individuals impacted but also levels of economic growth and cohesion across the Mediterranean.
- promote equal opportunities and socio-economic integration and active participation in society. Social and territorial inequalities and poverty eradication can only be reduced through the provision of equal opportunities and equal access to education and training and through policies addressing and targeting the needs of disadvantaged groups and individuals.

The Interreg NEXT MED Programme can reduce barriers to participation in educational, training and learning opportunities through targeting the needs of disadvantaged groups and individuals and increasingly promoting equality of opportunity in education. The digital transformation, if not properly

managed, will exacerbate current territorial and societal inequalities and hence equal access to IT tools and skills could ensure a more just and equitable outcome.

### *Improving the preparedness and resilience of health care systems and capabilities to recover from and adapt to health emergencies and ensure equal access to health care*

Health is a key factor in regional development and competitiveness and the reduction of economic and social inequalities. The health systems across the Programme area have been facing similar challenges but equally there are significant variations and disparities in the provision of services and equality of access. Timely and universal access to healthcare for citizens is not equally available and significant inequalities exist, due to factors such as lack of healthcare coverage and under-financed healthcare systems, distance from healthcare facilities, the price and quality of healthcare, and a shortage of healthcare staff (in numbers and in terms of skill gaps). Vulnerable groups such as migrants, asylum seekers, ethnic minorities, elderly and those living in remote areas may also experience systematic barriers. Meanwhile, disadvantaged groups have been disproportionately hit by the COVID-19 pandemic in relation to their access to healthcare and precarious and vulnerable living conditions. Social partners, communities and civil society lack the capacity in most cases to provide innovative or alternative solutions.

Ensuring equal access to healthcare, enhancing the capacity of the health system and labour force as well as the uptake of e-health and digital solutions and innovations are key policy objectives for the Programme area. The COVID-19 pandemic has shown the potential for generalised use of digital technologies which can improve the equality of access to health services and also the potential for cross-border services, systems, initiatives and approaches that could provide health, efficiency or cost improvements and benefits, but that ultimately would improve resilience of the health sector. Enhanced cooperation in this field should improve the strategic capability of civil society and communities in general to prepare and adapt to COVID-19 and post-covid scenarios, to provide outreach for the most vulnerable people and increasingly shift towards community-based healthcare.

The challenges of the Programme area are to:

- build on continual improvements in ICT usage and e-services and potential for digital transformation in the health sector and the promotion of tele/e-health. Digitalization and technological innovation can enhance healthcare through the introduction of tele/e-health technology, enabling virtual consultations improving access for remote patients and reducing congestion and potential infection.
- reduce inequalities in access to health and ensure equal and timely access for all to an affordable, efficient and sustainable health service. Equality of access to high-quality healthcare is essential in addressing health inequality and reducing social exclusion and poverty, increasing the productivity of the workforce and facilitating people's active participation in society.
- improve the preparedness and resilience of health care systems, civil society and communities through transnational learning and capacity-building in relation to health care capabilities and adaptation to COVID and post-covid scenarios.

The Interreg NEXT MED Programme will support the enhanced delivery of public services in the health and social care sector, specifically in relation to ensuring equality of access and reduced social exclusion as well as improved management of health risks on a transnational basis.

### **3.A better cooperation governance for the Mediterranean**

#### *Boosting cooperation for a better governance in the Mediterranean Sea basin*

The Mediterranean basin is an area of global strategic importance with a series of transboundary challenges that requires strategic concerted joint actions. Multi-level and transnational cooperation amongst actors around the basin are hampered by disparities of institutional and administrative capacity, organisational development and learning, levels of socio-economic development.

Notwithstanding the presence of different institutional contexts in the area which exhibit multiple and diverse arrangements in terms of local governance, ISO 1 offers a relevant framework to enhance the

institutional capacity and performance of public authorities, in particular those mandated to manage a specific territory, in planning, designing and managing socio-economic and environmental development in the thematic fields addressed by the Interreg NEXT MED Programme. As highlighted in ANNEX V of the Joint paper on Interreg NEXT Strategic Programming 2021–2027, transnational cooperation “between Member States and Partner Countries could enable sharing of best practice in the efficient delivery of public services”. Building upon this goal, ISO 1 will seek to further support the know-how, skills, and tools for the delivery of shared transnational solutions for public services at regional and local level, also taking into account the available ICT solutions that facilitate a more effective citizen access to services provided by public administrations. Another aim of ISO 1 will be the focus on new opportunities for increased involvement of stakeholders, including citizens, academic, science and businesses, in territorial development and governance processes in view of fostering more stable and structured dialogue with public authorities to contribute to identifying relevant socioeconomic and environmental issues to be addressed at local level, consistently with the thematic priorities covered by the Programme and empowered by the transnational approach and added value. This could translate into pilot participatory actions for the design and implementation of shared policy orientations which respond more adequately to the needs of local stakeholders and have a positive impact on them.

Besides to the above, the COVID-19 pandemic and the consequences of climate change brings a whole new set of transnational challenges that are potentially not yet fully understood. Multi-actor cooperation through engagement and ownership by citizens, administration and science can help develop joint strategies and solutions that could mitigate the risks and uncertainties and improve responses and their impact.

The challenges of the transnational cooperation area are to:

- enhance, through transnational shared actions, the capacities of public authorities and stakeholders (civil society, business support organisations, etc.), especially at local level, to effectively deliver public services for the socio-economic and environmental well-being of citizens and places;
- foster local governance processes by strengthening cross-sectoral, multilevel and transnational partnership, encouraging the cooperation between citizens, civil society actors and institutions in view of identifying and addressing issues of joint interest at local level through exchanges, bottom-up and participatory approaches;

The Interreg NEXT MED Programme will promote cooperation between citizens (e.g. people to people actions), administration, civil society and science to identify and address issues of joint interest through transnational exchanges, bottom-up and participatory approaches.

It will contribute reinforcing the shared ownership of the priorities and opportunities that the Programme area offers and will enhance the capacities of public authorities and stakeholders to effectively deliver for the socio-economic and environmental wellbeing of places and citizens, in order to achieve greater Programme impact, added value and efficiency in the allocation of resources, better integration across interventions and increased mutual trust between actors across the Mediterranean.

ISO 1 provides a valuable opportunity for the Interreg NEXT MED Programme to reach a more innovative and territorial-based approach, under which a more permanent and structured dialogue and exchange among local/regional stakeholders across the Mediterranean is supported in view of the development of shared policies and interventions for the benefit of citizens, based on evidence and good practices.

## **LESSONS LEARNT**

Among the most significant lessons learnt from the two previous cooperation exercises, the following elements are taken into account:

- The relevance of the Programme as a unique instrument to promote broad, people to people, institution-based participation in multilateral, multisectoral, practical cooperation in the Mediterranean - as highlighted in different ROM and evaluation reports - resulting in a constructive and positive cooperation spirit and dialogue in a yet challenging area. Commitment and “enthusiasm” for the Programme by

participating countries will continue to be ensured through the principle of co-ownership and through the promotion of shared priorities and interests.

-The attractiveness of the Programme as shown by the substantial and high participation in the different calls for proposals. As for the 2014-2020 period, thematic concentration and specific terms of reference will be key to ensure a 'commensurate' and focused participation in the different calls for proposals.

-A partnership made of different levels of governance (national, regional, local) and expertise (public sector, research/academic, non-profit, civil society, companies, etc.) is a source of immeasurable benefits for the Programme. "Inclusiveness" and vitality of the partnership will be sought, in particular through a strand targeting youth-oriented organizations to encourage the participation of new comers.

-The administrative burden in terms of project and financial management remain cumbersome, an issue which is amplified by the different institutional and regulatory contexts at national level across the cooperation area. Simplification and less bureaucratic procedures should guide the implementation.

-The importance of engaging final beneficiaries in the implementation of projects through mechanisms allowing their effective involvement, thanks to direct (financial) support. To this end, complimentary means should be explored to guarantee their effective participation, given the changed legal framework that does not allow anymore the use the sub-grants.

-The need to develop synergies and coordination with other programmes and initiatives implemented across the cooperation area. The structured cooperation with the Union for the Mediterranean will be maintained and further consolidated while a dedicated multi-programme mechanism will help shape a permanent and structured coordination among Interreg programmes.

-In continuity with the past, the shift towards result-based management of projects should be enhanced as well as the need to implement tangible tools that foster the sustainability and transfer of results to stakeholders beyond the projects lifetime. As for the 2014-2020, a specific call for capitalization projects is foreseen in order to enhance and further develop good practices and valuable outcomes from the Programme community but also from other initiatives. In addition, and as a new feature, Interreg NEXT MED intends to include a call for consolidation projects that should further support specific results of selected projects, based on their demonstrated impact.

## **COMPLEMENTARITIES AND SYNERGIES**

Taking into account the complexity of the Programme area, the latter benefits from a wealth of different cooperation initiatives and programmes, with varying regional, bilateral and thematic focus, timeframes, aims and objectives. Reinforced cooperation across the Mediterranean requires that new opportunities for participation, synergies and complementarities are identified and promoted across the different initiatives and actors to achieve a higher impact, added value and more integrated interventions. The coordination and synergies with other Programmes and initiatives aims at achieving sustainable interventions, in particular among Interreg programmes in the Mediterranean, by sharing and building on the knowledge they produce/ed. The establishment of a multiprogramme coordination mechanism is required in relation to planning, design, implementation, and communication to enable and enhance long term strategic and sustainable integration. The Interreg NEXT MED Programme will be part of a pilot initiative on sustainable tourism in its wider understanding and/or any other relevant sector/s for the Programme. This mechanism will involve different Interreg Programmes, in order to identify, share with the different initiatives and stakeholders and boost the results of the different projects implemented in the Mediterranean through its already consolidated capitalization process. The Managing Authority (MA) will actively involve the National Contact Points for the identification and consultation of the concerned stakeholders.

As far as the synergies with the actions and initiatives adopted to support the Southern Neighbourhood and financed through NDICI are concerned, the MA will continue to carry out the actions to inform and involve the EU delegations about the projects and programme activities carried out in the respective countries. In order to boost the synergies with the initiatives and projects carried out by the EU delegations, a mutual coordination mechanism should be envisaged in coordination also with DG Near and EEAS.

With reference to the complementarities and synergies to be developed, where relevant, with the cohesion regional and national programmes, as well as with the interventions planned under the respective Recovery and Resilience National Plans (RRNP), the Interreg NEXT MED Programme is committed to join any initiative carried out at the appropriate level (national/regional/other) by each participating country meant at implementing the coordination principle, also in view of the embedding of the macro-regional and sea basin strategies. To this end, it will be the responsibility of the MA to liaise with the competent authorities with the support of each participating country.

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: point (c) of Article 17(3)

Table 1

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies	1. Priority 1: A more competitive and smarter Mediterranean Policy objective 1 - A more competitive and smarter Europe (and its Neighbourhood) by promoting innovative and smart economic transformation and regional ICT connectivity	Innovative smart economic and digital transformation is critical in the Mediterranean area, especially in the context of the recovery. The Mediterranean is expected to be one of the worst hit areas in terms of the economic impact of the COVID-19 pandemic, and all of the partners countries are expected to show significant downturns in their GDP and employment figures. Research and innovation are crucial to the creation of new jobs, to foster economic growth and competitiveness and to ensure a sustainable and resilient recovery. The Interreg NEXT MED Programme area is characterised by a low level of expenditure on, and employment in, research and development generally. The region's economic actors lack success in commercialisation of innovation and entering new markets. However, there are also significant variations across the programming area in terms of research and innovation capacity, intensity and culture, the quality of innovation and the existence of science and technology clusters. The region includes countries and regions that are world leaders in R&D as well as others with very low capabilities. SO1.1 will enable the promotion of transnational technological testing and development, networking and collaboration and hence for potential

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			convergence in performance across the Mediterranean. Common areas of specialisation can provide the basis for R&I and business-academia collaboration that responds to business needs and societal and environmental issues, including the green transition. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants
1. A more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity	RSO1.3. Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments	1. Priority 1: A more competitive and smarter Mediterranean Policy objective 1 - A more competitive and smarter Europe (and its Neighbourhood) by promoting innovative and smart economic transformation and regional ICT connectivity	One of the biggest challenges for the programme area is the need to ensure new entrants to the labour market can find employment opportunities. MSMEs have the potential to be key drivers in the absorption of young people and women and enable a more sustainable and inclusive growth model for the region, as they create more than 80% of jobs. The Mediterranean space needs to develop a more vibrant, skilled, entrepreneurial and resilient private sector that enjoy good quality business services and a supportive business environment. Across the region, (M)SMEs lack management and networking skills, innovative capacity and the ability to operate internationally and participate in global value chains. The unemployment pool contains significant numbers of recent graduates and enabling a start-up culture and improving entrepreneurship is a vital step in incorporating young people into the labour market and hence in reducing the risk of brain drain and the loss of highly skilled young people. Support to (M)SMEs should ensure their increased competitiveness, innovativeness, internationalisation,

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			<p>growth and adaptability. Digital transformation can improve (M)SMEs resilience and reduce barriers to entering self-employment or the labour force. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants</p>
<p>2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility</p>	<p>RSO2.1. Promoting energy efficiency and reducing greenhouse gas emissions</p>	<p>2. Priority 2: A greener, low-carbon and resilient Mediterranean Policy objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (and its Neighbourhood) by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation...</p>	<p>The Mediterranean is a geographic area with intense human activity over millennia. The environment is constantly subject to several pressures accentuated by economic growth, an increasing population and rising resources consumption. A very large share of the energy used in the region stems from fossil sources. Clean energy and the transition to a low carbon economy still have a long way to go. The competition from fossil fuels, poor energy efficiency, insufficient infrastructure for alternative fuels and the still evolving institutional framework on renewable energies being the biggest obstacles towards this transition. Focusing on SO 2.1 will allow the programme area to reconsider its energy priorities and the alternatives for a low carbon economy, developing a strategic framework ranging from strategical decisions to small scale applications and adaptations of existing technical solutions. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants</p>
<p>2. A greener, low-carbon transitioning towards a net zero</p>	<p>RSO2.4. Promoting climate change adaptation and</p>	<p>2. Priority 2: A greener, low-carbon and resilient Mediterranean Policy</p>	<p>While climate change mitigation, renewable energy sources and energy efficiency have found their place</p>

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility	disaster risk prevention, resilience taking into account eco-system based approaches	objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (and its Neighbourhood) by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation...	in the political agendas of the programme area, climate change adaptation remains a challenge and its importance is not yet fully understood. Directly linked to climate change adaptation are also the aspects of risk prevention and risk management; hazards will change rapidly in intensity and frequency; new hazards will appear and familiar hazards will become more dynamic or even unpredictable. The programme area is in a transition zone and is already characterised by distinct north-south and winter-summer contrasts regarding for example rainfall and water availability. These inequalities will be made more extreme by climate change; even a small temperature rise will have a non-linear decrease of rainfall. This will trigger new risks (in agriculture, water supply, pollution and contamination, biodiversity etc.) that the partner states need to prevent or manage. Moreover, many sectors which are dominant in the area like agriculture, fisheries and tourism are marginally resilient and are also expected to be severely affected by climate change. Increasing climate resilience, adaptation capacity and risk prevention and management capabilities is thus key to the Mediterranean states. Focusing on SO 2.4 will allow the programme area on the one hand to raise awareness on the fragility of the ecosystems, biodiversity, and manmade environment and the hard and relatively short-term expected impact and on the other to address climate change adaptation in a cross-cutting, multilevel and multisector manner bringing together issues like architecture, spatial planning, business support, water management and local,

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			regional and national authorities . Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants
2. A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility	RSO2.5. Promoting access to water and sustainable water management	2. Priority 2: A greener, low-carbon and resilient Mediterranean Policy objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (and its Neighbourhood) by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation...	Closely related to climate change and resources consumption is the topic of water use and water resources management. Water resources in the area are unevenly distributed and are subject to constant extraction beyond the natural replenishment level. Trends indicate that demand will still grow, despite several, yet piecemeal, water efficiency efforts. Water infrastructure, while able to supply the population with safe water, lacks efficiency and is outdated. Wastewater collection and treatment however lack behind; growing urban areas and agriculture pose extreme pressure and uncontrolled discharges, groundwater and coastal areas overload with nutrients and hazardous spills are and will remain an issue. Focusing on SO 2.5 will allow the programme area on the one hand to raise awareness on the issues caused by scarce water resources, increased pollution, inefficient distribution and poor waste water management and on the other develop capacity for integrated water cycle management including the rehabilitation of water bodies. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants
2. A greener, low-carbon	RSO2.6. Promoting the	2. Priority 2: A greener, low-carbon	The programme area is an area of relative growth.

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
<p>transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation risk prevention and management, and sustainable urban mobility</p>	<p>transition to a circular and resource efficient economy</p>	<p>and resilient Mediterranean Policy objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (and its Neighbourhood) by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation...</p>	<p>While the north slowly demonstrates decoupling, the south remains resource-demanding. To an extent resource-demanding and polluting industries have moved from the north to the south. Increasing resource consumption is linked to the generation of waste; overall the trend is rising. Even where waste management and recycling is implemented, “rebound effects” apply. Landfill disposal remains a mainstay in the region with many negative impacts. Focusing on SO 2.6 allows the programme area to board on the EU concept of circular economy aiming at eliminating waste and promoting the continuous use of resources. Circular economy is relevant to a large number of sectors but it is also crucial to tourism, where decoupling is feasible and desirable by the target groups. Circular economy allows for interventions in every stage of the resource use cycle (extraction, processing, use, re-use and disposal) and reduce the load along the chain with the ultimate goal of minimising final disposals. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated into public procurement procedures, whenever relevant. Form of support: grants</p>
<p>4. A more social and inclusive Europe implementing the European Pillar of Social Rights</p>	<p>RSO4.2. Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line</p>	<p>3. Priority 3: A more social and inclusive Mediterranean Policy objective 4 - A more social and inclusive Europe (and its Neighbourhood) implementing the European Pillar of Social Rights</p>	<p>Social disparities, social exclusion and inequalities in opportunity are increasing across the programme area. A growing portion of the population is at risk unemployment, poverty and social exclusion, and there is a significant rural/urban divide in relation to the quality of and access to services, infrastructure and education and employment opportunities. Young people, women and rural populations are amongst</p>

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
	education and training		<p>those most disadvantaged. For example, some countries in North Africa report above 30 % of the population aged 15-24 not in employment, education or training (NEETs), whilst around or above 40% in case of females. SO 4.2 can support the reduction of inequalities in access to and completion of quality education, training and learning opportunities, Equal access to education and training supports social mobility, the reduction of poverty and inequalities and can facilitate the transition from informal to formal employment. Lower educational attainment is a significant risk factor for disengagement from the labour market, and the programme area needs to create a workforce that can contribute to competitiveness, innovation, and growth.</p> <p>Unemployment/underemployment can also reflect mismatches between skills and labour market requirements, especially in the context of the green and digital transitions, new technologies, industrial transition and the transformation of work. Education and training will need to meet emerging green and blue skills needs and reflect changing job profiles. Continuous workforce adaptation through up-skilling and re-skilling is key to preventing unemployment/underemployment in a context of green, digital and sectoral transitions. Unequal access to quality broadband connectivity, IT equipment and digital learning disadvantages certain groups, such as learners from disadvantaged or rural backgrounds and refugees with adequate access to the Internet, equipment or learning opportunities, E-learning could potentially provide new opportunities for learners in rural and remote areas and for other</p>

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			disadvantaged groups, reducing regional disparities and increasing regional resilience. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated, whenever relevant. Form of support: grants
4. A more social and inclusive Europe implementing the European Pillar of Social Rights	RSO4.5. Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family- and community-based care	3. Priority 3: A more social and inclusive Mediterranean Policy objective 4 - A more social and inclusive Europe (and its Neighbourhood) implementing the European Pillar of Social Rights	The COVID-19 health crisis has exposed some of the frailties and vulnerabilities of the health and social care sectors across the programme area and highlighted the disproportionate impact of a health emergency on disadvantaged groups. There is variable access to health facilities and timely quality healthcare and varying resilience and preparedness of the sector in terms of prevention, protection, response, and recovery from an emergency. Health is a key factor in regional development and competitiveness and in the reduction of economic and social inequalities and improved labour productivity. Rural, remote and less-densely populated areas suffer from reduced access to services and lower levels of health workers. Investment in the public healthcare system in North Africa (5.62% of their GDP) is significantly lower than the average OECD countries' expenditures (8.8%). This S.O provides the opportunity to develop innovative or pilot digital e-health and tele-health solutions or cross-border services that would address the inequalities across the programme area and improve the delivery and efficiency of public service delivery. Cross-border training and sharing of knowledge and resources can equally improve the resilience of the sector and the wider

Selected policy objective or selected Interreg specific objective	Selected specific objective	Priority	Justification for selection
			community/civil society in their ability to prepare and adapt to COVID and post-COVID challenges and scenarios. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated, whenever relevant. Form of support: grants
6. Interreg: A better Cooperation Governance	ISO6.6. Other actions to support better cooperation governance (all strands)	4. Priority 4: A better cooperation governance for the Mediterranean Interreg specific objective 1 - Interreg-specific objective of a better cooperation governance	<p>The Mediterranean programme area is facing significant economic, environmental and social challenges which can be identified, defined and addressed more fully through cooperation activities. Public administration, citizens, research bodies and civil society across must be able to exchange experiences, jointly identify, understand and determine common solutions to common problems and transfer good practice in line with their individual / territorial needs, reflecting the diversity of approaches, contexts and actors. Networking, training, communication and dissemination activities will improve the administrative, institutional and management capacity of the various actors and their design and implementation of cooperation activities, strategies and solutions improving local governance processes and public action impact and reach. Synergies across the different stakeholders need to be identified earlier and enhanced or built upon, including through the development of shared tools and services that contribute to improve policy making processes and delivery of public services. Strategic use of public procurement will be promoted and environmental and social considerations will be incorporated, whenever relevant. Form of support: grants</p>

## 2. Priorities

Reference: points (d) and (e) of Article 17(3)

### 2.1. Priority: 1 - Priority 1: A more competitive and smarter Mediterranean

Policy objective 1 - A more competitive and smarter Europe (and its Neighbourhood) by promoting innovative and smart economic transformation and regional ICT connectivity

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO1.1. Developing and enhancing research and innovation capacities and the uptake of advanced technologies

Reference: point (e) of Article 17(3)

SO 1.1 Developing and enhancing research and innovation capacities and the uptake of advanced technologies

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

#### **Territorial needs / challenges**

Sustained economic growth requires policies that foster innovation-driven growth and that recognize the crucial role played by research, innovation and higher education in creating new jobs. Research and Innovation (R&I) are critical levers to ensure a sustainable and inclusive recovery, whilst boosting resilience, competitiveness and economic transformation. Industry 5.0 complements the Industry 4.0 approach by placing research and innovation at the heart of a sustainable, human-centric and resilient industrial transition. It reinforces the contribution of industry to society, through its role in leading the green and digital transformations.

R&D expenditure is closely linked to GDP growth, yet expenditure on research and development in the programme area is generally low as well as uneven, with notable variations in innovation culture, capacity and capability. Tackling research and innovation related challenges will reduce territorial disparity across the programme area and close gaps in R&D, innovation and entrepreneurship. Increased inter-firm and business-academia networking and cluster coordination will ensure research focused upon business priorities and contributing to the solution of societal and environmental challenges.

#### **Transnational actions**

In this SO the programme will support transnational cooperation to develop and enhance research and innovation capacity, especially in shared areas of specialisation, the uptake of advanced technologies and the creation of innovative products and services. The aim is to promote economic growth through boosting innovation and R&D, through strengthening R&D and entrepreneurial capacities of research organisations, business and other innovation stakeholders and their collaboration in the development, testing, uptake, diffusion, transfer and commercialization of research outputs and technological innovations. Actions should additionally seek to reinforce sustainability and resilience and adaptation to climate change through supporting R&I in the circular economy and low carbon economy for the green transition and encouraging the uptake of new sustainable technologies.

#### **Examples of indicative actions that could be supported (non-exhaustive):**

A.1.1.1 Support for transnational testing and development of technologies, processes and services, and for the uptake of technology, technology transfer and commercialization of research outcomes and IP.

A.1.1.2 Support for transnational RD&I business-academia networking, partnerships, and platforms sharing know-how and results, improving transnational access, collaboration, mobility and synergies.

A.1.1.3 Support for business research and innovation activity, including investment in transnational

research infrastructure and equipment.

The Interreg NEXT MED Programme will fund actions in the **following fields and sectors** (non-exhaustive):

- Agri-tech, Smart agriculture, Aquaculture and Fisheries
- Smart manufacturing
- Health
- Climate change and Renewable Energies
- Key Enabling Technologies and Industry 5.0
- Clean / environmental technologies
- Blue, Green, Circular economy (including climate change, marine and maritime technologies)
- Digital transition and digital technologies
- Social innovation
- Sustainable tourism, culture and cultural heritage

### **Expected results and contribution to the specific objective**

Transnational cooperation activities will strengthen innovation processes, capacity and uptake across the programme area and facilitate the inclusive transition to green, digitalized, resilient economies. Improved transnational cross-sectoral and multi-actor collaboration, especially research-business cooperation will help to reduce territorial disparity and gaps in R&D and innovation across the Mediterranean, increasing R&D budgets and employment levels and the development of new products, processes and services. In addition, the actions falling within the scope of SO 1.1 will contribute to raising awareness on sustainability research and innovation, strengthening active engagement platforms already in place, also under 2030 Agenda implementation process as well as to increasing citizen science approach to research and innovation to foster integrated sustainable approaches.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations. In addition, compliance with Directive (EU) 2016/2102 (Web Accessibility Directive, WAD) will be ensured.

Transnational cooperation actions will contribute to the UN Sustainable Development Goals (SDGs) goals of industry, innovation and infrastructure (SDG9) and economic growth (SDG8), as well as to EU policies and strategies such as the renewed European Agenda for Research and Innovation, A New Industrial Strategy for Europe, the European Skills Agenda, the Renewed EU Agenda for Higher Education, the EU's digital strategy and the EC Communication "Strengthening Innovation in Europe's Regions: Strategies for resilient, inclusive and sustainable growth.

Synergies can be developed with regional frameworks such as the Union for the Mediterranean (UfM) Declaration "Strengthening Euro-Mediterranean Cooperation through Research and Innovation", the UfM Regional Platform in Research and Innovation, the Partnership for Research and Innovation in the Mediterranean (PRIMA), the BLUEMED initiative, General Fisheries Commission for the Mediterranean (GFCM) 2030 Strategy, the 5+5 Dialogue Western Mediterranean Forum for Higher Education, Research and Innovation, the WestMED Initiative's priority on skills circulation, Horizon Europe, including its missions and partnerships. Key EU documents like the Communication on "A new ERA for Research and Innovation" (COM/2020/628) the Proposal for a Council Recommendation on a Pact for Research and Innovation in Europe (COM(2021) 407 final) will also be taken into account.

The actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.1	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	10
1	RSO1.1	RCO87	Organisations cooperating across borders	organisations	0	216
1	RSO1.1	RCO90	Projects for innovation networks across borders	projects	0	14
1	RSO1.1	RCO01	Enterprises supported (of which: micro, small, medium, large)	enterprises	0	19
1	RSO1.1	RCO02	Enterprises supported by grants	enterprises	0	19

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.1	RCR03	Small and medium-sized enterprises (SMEs) introducing product or process innovation	enterprises	0.00	2021	13.00	monitoring data	
1	RSO1.1	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	108.00	monitoring data	
1	RSO1.1	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	6.00	monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO1.1. project applicants and/or partners are expected to include public and private actors of the quadruple innovation helix system such as public and private research centres and higher education, public administration across all government levels, enterprises including (M)SMEs; other organisations such as technology transfer offices, centres of competence, clusters, living labs, business/science parks and networks and innovation agencies.

Target groups of the assistance i.e. those that may be targeted by an individual project and benefit from its activities may include MSMEs; entrepreneurs and innovators; researchers; employees of the beneficiary organisations and well as potentially other organisations listed above depending on the nature of the project.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	029. Research and innovation processes, technology transfer and cooperation between enterprises, research centres and universities, focusing on the low carbon economy, resilience and adaptation to climate change	10,665,320.00
1	RSO1.1	Interreg Funds	030. Research and innovation processes, technology transfer and cooperation between enterprises, focusing on circular economy	3,999,494.00
1	RSO1.1	Interreg Funds	005. Investment in intangible assets in micro enterprises directly linked to research and innovation activities	3,999,494.00
1	RSO1.1	Interreg Funds	026. Support for innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs	3,999,494.00
1	RSO1.1	Interreg Funds	028. Technology transfer and cooperation between enterprises, research centres and higher education sector	3,999,494.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	01. Grant	26,663,296.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.1	Interreg Funds	33. Other approaches - No territorial targeting	26,663,296.00

2.1.1. Specific objective: RSO1.3. Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments

Reference: point (e) of Article 17(3)

SO 1.3 Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

### **Territorial needs and challenges**

Micro, Small and Medium Enterprises (MSMEs) have the potential to be key drivers in a more sustainable and inclusive model of economic growth and employment in the programme area. MSMEs represent more than 90% of enterprises across the Mediterranean and create more than 80% of jobs, hence providing potential opportunities to absorb new entrants to the labour market especially in the MPCs and amongst youth and female sections of the population. The area needs to develop a more vibrant private sector, facilitating (M)SME creation and entrepreneurship through a conducive ecosystem for the growth and development, a supportive business environment with adequate development and capacity-building services and appropriate skills development in relation to business and entrepreneurship but also the green and digital transitions.

### **Transnational actions**

In this SO the programme will support transnational cooperation to increase MSME creation, innovation, internationalization, competitiveness, productivity and entrepreneurship, to facilitate the incorporation of unemployed people and new entrants into the labour force and improve job creation. Actions will focus on improving skills and entrepreneurship, and hence the adaptability and resilience of the labour force; promoting self-employment to encourage participatory approach to creation of business and the creation of start-ups and their growth, productivity and innovation; encouraging networking and clustering amongst different innovation actors and stakeholders to encourage policy learning and exchange of experience, as well as internationalization and sustainability. Regional resilience will be reinforced through a digital transformation of MSMEs, including their improved digital access and ability in all aspects of commerce and employment.

In view of ensuring compliance with Article 65 of the 2021/1060 CPR, operations will be selected taking into account the capacity of SMEs and other economic partners and beneficiaries to deliver results in the long terms, at least within 5 years of the final payment to the beneficiary or at least 3 years in cases concerning the maintenance of investments or jobs created by SMEs. Projects will be selected by taking into account the due diligence of beneficiaries and partners through evaluation criteria to assess their capacity to maintain the benefits of the operations. A close monitoring of the operations that include business support will be performed, in order to mitigate potential risks related to the durability of operations.

### **Examples of indicative actions that could be supported (non-exhaustive):**

A.1.3.1 Transnational support for the co-creation and follow up of start-ups and spin-offs, encouraging their entrepreneurship, innovation, diversification and growth

A.1.3.2. Development and promotion of transnational clusters, value chains, living labs, for business networking and exchange of good practice

A.1.3.3. Transnational skills development and measures to anticipate skills needs, increase entrepreneurship and improve the adaptability of enterprises, workers and entrepreneurs to change.

A.1.3.4. Transnational business support services, platforms and networks to support business internationalization, the uptake and use of eco-innovations and clean technologies, and business environment improvements

A.1.3.5. Initiatives for the digital transformation of MSMEs and transnational e-business/e-commerce skills and capacity development, innovation and application.

**The Interreg NEXT MED Programme will fund actions in the following fields and sectors (non-exhaustive):**

-Blue, Green, circular economy and eco-innovation (including blue and green jobs)

-Digital transition

-Sustainable tourism

- Manufacturing

-Creative and cultural industries;(including fashion, textile, design and handicraft);

-Agri-food

-Education and training for sustainability

-Social economy

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in improved framework conditions and support for (M)SMEs in the programme area, leading to an improved MSMEs presence in the international market, increased inter-firm and value chain-based cooperation and networking, enhanced competitiveness and innovativeness. Improved opportunities for start-ups and self-employment will encourage the creation of new businesses and jobs and the absorption of new entrants to the labour market. Actions will contribute to both digital and green transformation.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations. Compliance with Directive (EU) 2016/2102 (Web Accessibility Directive, WAD) will be ensured.

The UN Sustainable Development Goals explicitly address entrepreneurship through ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all (Goal 4) and promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (Goal 8) and industry, innovation and infrastructure (SDG9). Specific objective 1.3 can also contribute towards goals 5 (gender equality) and 10 (reduced inequality).

Potential synergies include with the EU's SME strategy for a sustainable and digital Europe, EU's Competitiveness of Enterprises and Small and Medium-

sized Enterprises (COSME) programme and Start-Up and Scale-Up initiative, Horizon Europe, the European Innovation Council (EIC), and Erasmus for Young Entrepreneurs.

Transnational cooperation actions will contribute to regional frameworks such as the WestMED Initiative, the UfM Mediterranean Entrepreneurship Network, CEED-GROW, the Regional Platform on Trade and Investment, Start-Up Europe Mediterranean (SEMED) and the EMIPO-EUROMED Invest Promotion and Observatory and the WEST MED Initiative Priority on cluster development.

The actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
1	RSO1.3	RCO85	Participations in joint training schemes	participations	0	818
1	RSO1.3	RCO02	Enterprises supported by grants	enterprises	0	36
1	RSO1.3	RCO116	Jointly developed solutions	solutions	0	17
1	RSO1.3	RCO87	Organisations cooperating across borders	organisations	0	144
1	RSO1.3	RCO01	Enterprises supported (of which: micro, small, medium, large)	enterprises	0	36

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
1	RSO1.3	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	10.00	monitoring data	
1	RSO1.3	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	72.00	monitoring data	
1	RSO1.3	RCR81	Completion of joint training schemes	participants	0.00	2021	654.00	monitoring data	
1	RSO1.3	RCR01	Jobs created in supported entities	annual FTEs	0.00	2021	336.00	monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO1.3. project applicants and/or partners are expected to include public authorities across all government levels, business support organisations and business networks, chambers of commerce, Higher Education Institutions and centres for vocational training, clusters, living labs, incubators, public/private research organisations or departments, business networks, digital hubs, centres of competence, enterprises, especially (M)SMEs and social economy organisations.

Target groups of the assistance i.e. those that may be targeted by an individual project and benefit from its activities may include (M)SMEs; entrepreneurs and innovators; start-ups, graduates and researchers; IT developers, employees of the beneficiary organisations and well as potentially other organisations listed above depending on the nature of the project.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, Financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.3	Interreg Funds	023. Skills development for smart specialisation, industrial transition, entrepreneurship and adaptability of enterprises to change	9,998,736.00
1	RSO1.3	Interreg Funds	137. Support for self-employment and business start-ups	9,998,736.00
1	RSO1.3	Interreg Funds	026. Support for innovation clusters including between businesses, research organisations and public authorities and business networks primarily benefiting SMEs	9,998,736.00
1	RSO1.3	Interreg Funds	021. SME business development and internationalisation, including productive investments	9,998,738.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.3	Interreg Funds	01. Grant	39,994,946.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
1	RSO1.3	Interreg Funds	33. Other approaches - No territorial targeting	39,994,946.00

## 2.1. Priority: 2 - Priority 2: A greener, low-carbon and resilient Mediterranean

Policy objective 2 - A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe (and its Neighbourhood) by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation...

Reference: point (d) of Article 17(3)

### 2.1.1. Specific objective: RSO2.1. Promoting energy efficiency and reducing greenhouse gas emissions

Reference: point (e) of Article 17(3)

#### SO 2.1 Promoting energy efficiency and reducing greenhouse gas emissions

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

#### **Territorial needs and challenges**

The programme area is highly dependent on fossil fuels to cover their energy needs although MPCs are generally more dependent on fossil fuels (up to 90%) than EUMCs (most regions are in the 10-20% range) where share of renewable energy is on the rise due to a significant effort of the EU in decreasing Europe's dependency to fossil fuels. Having considered the poor energy efficiency and a growing population— especially in MPCs – and the related increased of GHG emissions, the impact of energy efficiency measures paired with the integration of renewable energy sources which are largely available but still underutilized can greatly benefit the programme area, and contribute to reducing energy consumption, dependency to more expensive fossil fuels, and eventually boosting the shift to clean energies. Furthermore, performing energy efficiency and renewable energy sectors are important elements of sustainable growth and economic competitiveness.

#### **Transnational actions**

In this SO the programme will support transnational cooperation to increase awareness and co-operation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities to prepare the ground for the energy transition. It also needs to increase uptake of relevant technologies through pilots and proof-of-concept approaches. This can be done effectively only in an enabling environment of administration and decision-making bodies with capacity and provisions in the fields of energy efficiency, renewable energy sources and smart energy management. While attention should be given to energy efficiency improvements in the public sector (which operates several non-efficient infrastructures), private sector needs have to be considered too, particularly in key Mediterranean productive sectors at SMEs level.

#### **Examples of indicative actions that could be supported (non-exhaustive):**

A 2.1.1 Implementation of pilot actions to demonstrate technical, financial, and environmental benefits of measures related to energy efficiency, renewable energy sources and smart energy management

A 2.1.2 Transnational initiatives related to the technology transfer, utilization of research outcomes and adaptation to local needs and capacities related to

energy efficiency, renewable energy sources and smart energy management

A 2.1.3 Transnational initiatives to increase awareness, capacities and encourage active participation and inclusion of citizens, civil society organisations and private sector and cooperation with public authorities regarding climate change impact, energy efficiency, renewable energy sources and smart energy management

A 2.1.4 Integration and adaptation in regulatory frameworks, policy formulation and decision-making of regional and local authorities of provisions and performance standards promoting energy efficiency, renewable energy sources, energy performance monitoring and smart metering; taking into account existing national policies and regulatory frameworks.

**The Interreg NEXT MED programme could fund actions in the following fields and sectors (non-exhaustive):**

-Agriculture;

-Sustainable tourism;

-Productive and manufacturing sectors (agri-food, garments and textiles, construction, etc.);

-Energy efficiency at household/community level including cooling applications (schools, public facilities, etc.) and support to creation of energy communities;

-Construction sector;

-Sustainable mobility;

- Maritime sector and fisheries;

-Research, education and training.

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in increased awareness, increased cooperation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities, increased demonstration of concepts, increased capacity of local stakeholders, public bodies and policy making.

These achievements will improve framework conditions for the uptake of technologies and the broad implementation of energy efficiency measures and their combination with renewable energy sources, taking into account the links between solar power, cooling needs and housing stock energy performance and hence reduce greenhouse gas emissions in the medium term.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations.

Transnational cooperation actions will contribute to the UN Sustainable Development Goals (SDGs), especially Goal 7 "Ensure access to affordable, reliable, sustainable and modern energy for all", as well as to relevant EU policies and strategies, including the European Green Deal, especially concerning the initiatives for a clean energy transition, the EU strategy "A Renovation Wave for Europe – Greening our buildings, creating jobs, improving lives", and the LIFE Clean Energy Transition sub-programme.

Where possible, projects dealing with energy renovation actions should consider the key principles the “New European Bauhaus” initiative, i.e. sustainability (“from climate goals, to circularity, zero pollution, and biodiversity”), aesthetics (“quality of experience and style, beyond functionality”) and inclusion (“from valuing diversity, to securing accessibility and affordability”).

This SO may also contribute to regional frameworks, such as those of the Union for the Mediterranean (‘2030 GreenerMed Agenda’, the 2016 Ministerial Declaration on energy and the 2021 Declaration of the Ministerial Conference on Environment and Climate, UfM Strategic Action Plan on Urban development 2040), and EU initiatives (e.g. WestMED), as well as MPCs national strategies and initiatives.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.1	RCO116	Jointly developed solutions	solutions	0	10
2	RSO2.1	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	9
2	RSO2.1	RCO81	Participations in joint actions across borders	participations	0	605
2	RSO2.1	RCO87	Organisations cooperating across borders	organisations	0	86

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.1	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	11.00	Monitoring data	
2	RSO2.1	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	43.00	Monitoring data	
2	RSO2.1	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021	302.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO2.1. project applicants and/or partners are expected to include civil society organisations (incl. environmental NGOs), local, regional and national authorities, sector agencies, public utilities providers, facilities managers, local (M)SMEs, professional associations, policy makers and decision makers and research and education institutes.

Target groups of the assistance, i.e. those that may be targeted by an individual project and benefit from its activities, may include (M)SMEs and their professional associations and peer networks, providers of business intermediate services to the relevant sectors including IT developers, property owners and residents, graduates and researchers, employees of the beneficiary organisations, consumers, citizens, tourists and other relevant organisations related to the potential beneficiaries.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.1	Interreg Funds	044. Energy efficiency renovation or energy efficiency measures regarding public infrastructure, demonstration projects and supporting measures	6,061,230.00
2	RSO2.1	Interreg Funds	046. Support to entities that provide services contributing to the low carbon economy and to resilience to climate change, including awareness-raising measures	12,122,460.00
2	RSO2.1	Interreg Funds	041. Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures	6,061,230.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.1	Interreg Funds	01. Grant	24,244,920.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.1	Interreg Funds	33. Other approaches - No territorial targeting	24,244,920.00

2.1.1. Specific objective: RSO2.4. Promoting climate change adaptation and disaster risk prevention, resilience taking into account eco-system based approaches

Reference: point (e) of Article 17(3)

SO 2.4 Promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

### **Territorial needs and challenges**

The programme area is very sensitive to climate change. Rainfall is one example; it is already scarce and unevenly distributed but only slight rises in temperature will affect the water cycle considerably. The terrestrial and marine ecosystems and their biodiversity in the area are already impacted. Urgent issues for marine areas are: rising water temperatures, algae blooms, increasing salinity, invasive species are already affecting sectors like fishing and tourism.

Additionally, many sectors which are dominant in the area like agriculture, fisheries and tourism are marginally resilient and are also expected to be severely affected by climate change. Increasing climate resilience and adaptation capacity, also using ecosystem-based approaches, is thus key to the Mediterranean states. While climate change mitigation, renewable energy sources and energy efficiency have found their place in the political agendas of the programme area, climate change adaptation remains a challenge and its importance is not yet fully understood. In addressing climate change mitigation and adaptation, nature-based solutions should be prioritized.

### **Transnational actions**

In this SO the programme will support transnational cooperation to increase awareness on the climate change impact on environment, economy and society, beyond the mitigation context, climate change adaptation, risk prevention and disaster resilience. It will support co-operation and capacity for joint response and communication mechanisms and procedures as well as pilots and demonstration procedures to enhance cooperation. This can be done effectively only in an enabling environment of administration and decision-making bodies with capacity and provisions in the fields of climate change adaptation, risk prevention and disaster resilience in a multi-level, multi-sector governance set-up.

### **Examples of indicative actions that could be supported (non-exhaustive):**

A 2.4.1 Implementation of pilots and demonstration procedures to increase capacity and capability for joint deployment, provide "proof of concept" and enhance innovation in the fields of climate change adaptation, risk prevention and disaster resilience, taking into account nature-based solutions

A 2.4.2 Transnational initiatives to increase awareness, capacities and encourage active participation and inclusion of citizens, civil society organisations, and private sector and cooperation with public authorities regarding climate change adaptation, risk prevention and disaster resilience

A 2.4.3 Integration and adaptation in regulatory frameworks, policy formulation and decision-making of regional and local authorities of provisions and performance standards promoting climate change adaptation and risk prevention including contingency and resilience planning, taking into account national policies and regulatory frameworks.

**The Interreg NEXT MED programme could fund actions in the following fields and sectors (non-exhaustive):**

- Agriculture and fisheries;
- Sustainable tourism;
- Biodiversity and ecosystems protection and conservation, including coastal areas;
- Urban planning and architecture;
- Public utilities provision;
- Research, education and training;
- Green infrastructures and eco-system-based approaches;
- Disaster prevention and preparedness

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in increased awareness, increased cooperation, capability and innovation in the fields of innovation and climate change adaptation, risk prevention and disaster resilience. This will be paired with increased and active participation and inclusion of citizens, civil society organisations, and private sector. They will also lead to the integration and adaptation in regulatory frameworks, policy formulation and decision-making. These achievements will improve framework conditions for the mainstreaming of climate change adaptation and disaster risk prevention and resilience and increase the capacity of the programme area to cope with climate changes and other hazards.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations.

Transnational cooperation actions will contribute to the UN Sustainable Development Goals (SDGs), especially Goal 11 "Make cities and human settlements inclusive, safe, resilient and sustainable, Goal 13 "Take urgent action to combat climate change and its impacts", Goal 14 "Conserve and sustainably use the oceans, seas and marine resources for sustainable development" and Goal 15 "Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse". Actions under this SO will also contribute to relevant policies EU policies and strategies, including the European Green Deal, especially concerning the initiatives for enhancing biodiversity and nature protection and green infrastructures, risk prevention and disaster resilience; the EU Strategy on Adaptation to Climate Change; the European Climate Pact. the 'Farm to Fork' strategy, and the EU biodiversity strategy for 2030, etc.

Actions will also contribute to regional frameworks, such as the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) and especially the Mediterranean Strategy for Sustainable Development, GFCM 2030 Strategy, UfM Strategies ('2030 GreenerMed Agenda', the 2016 Ministerial Declaration on energy and the 2021 Declaration of the Ministerial Conference on Environment and Climate, UfM Strategic Action Plan on Urban development 2040), and EU initiatives (e.g., WestMED), etc.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.



2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.4	RCO116	Jointly developed solutions	solutions	0	10
2	RSO2.4	RCO81	Participations in joint actions across borders	participations	0	605
2	RSO2.4	RCO87	Organisations cooperating across borders	organisations	0	86
2	RSO2.4	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	9

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.4	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	43.00	Monitoring data	
2	RSO2.4	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	11.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO2.4. project applicants and/or partners are expected to include civil society organisations (incl. environmental NGOs), local, regional and national authorities, civil protection agencies, local SMES, professional associations, policy makers and decision makers, research and education institutes.

Target groups of the assistance i.e. those that may be targeted by an individual project and benefit from its activities may include (M)SMEs and their professional associations and peer networks including farmers and livestock owners, providers of business intermediate services to the relevant sectors including IT developers, land owners and their lessees, fishermen, graduates and researchers, employees of the beneficiary organisations, consumers, citizens and dwellers, tourists and other relevant organisations related to the potential beneficiaries.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	059. Adaptation to climate change measures and prevention and management of climate related risks: fires (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	8,243,272.00
2	RSO2.4	Interreg Funds	060. Adaptation to climate change measures and prevention and management of climate related risks: others, e.g. storms and drought (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	8,000,824.00
2	RSO2.4	Interreg Funds	058. Adaptation to climate change measures and prevention and management of climate related risks: floods and landslides (including awareness raising, civil protection and disaster management systems, infrastructures and ecosystem based approaches)	8,000,824.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	01. Grant	24,244,920.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.4	Interreg Funds	33. Other approaches - No territorial targeting	24,244,920.00

### 2.1.1. Specific objective: RSO2.5. Promoting access to water and sustainable water management

Reference: point (e) of Article 17(3)

#### SO 2.5 Promoting access to water and sustainable water management

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

#### **Territorial needs and challenges**

The programme area is characterised by unevenly distributed water resources, increased pollution, inefficient distribution and poor waste water management. Supply networks meet demand but suffer from big losses and inefficiency. Wastewater treatment is also incomplete and not overall effective. Population dynamics and the metropolisation are expected to aggravate the problems. The area needs to address water management throughout the entire water cycle including the rehabilitation of water bodies.

#### **Transnational actions**

In this SO the programme will support transnational cooperation to increase awareness and co-operation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities in the fields of water efficiency, water-related climate change adaptation, water saving incentives, water cycle management and water bodies rehabilitation. It can also help increase uptake of relevant technologies through pilots and proof-of-concept approaches. This can be done effectively only in an enabling environment of administration and decision-making bodies with capacity and provisions in the aforementioned fields including water use monitoring, smart metering and water pricing), taking into account existing national policies and regulatory frameworks.

#### **Examples of indicative actions that could be supported (non-exhaustive):**

A 2.5.1 Implementation of pilots to demonstrate technical, financial and environmental benefits of measures related to water cycle management, water efficiency for industries and households and rehabilitation of water bodies engaging local authorities, public utility providers, professional associations and environmental agencies.

A 2.5.2 Transnational initiatives related to the technology transfer, utilisation of research outcomes and adaptation to local needs and capacities of local and regional authorities, public utility providers, professional associations practitioners, companies and supply chains related to water cycle management, water efficiency for industries and households and rehabilitation of water bodies.

A 2.5.3 Transnational initiatives to increase awareness, capacities and encourage active participation of citizens, civil society organizations and private sector and cooperation with public authorities on activities regarding climate change impact, water consumption trends, water resources ecological and quantitative status, water cycle management, water efficiency and rehabilitation of water bodies.

A 2.5.4 Integration and adaptation in regulatory frameworks, policy formulation and decision-making and policy formulation of provisions and performance standards promoting water efficiency, water-related climate change adaptation water saving incentives, water cycle management and water bodies rehabilitation (including water use monitoring, smart metering and water pricing) taking into account existing national policies and regulatory frameworks.

**The Interreg NEXT MED programme could fund actions in the following fields and sectors (non-exhaustive):**

- Agriculture and farming;
- Sustainable tourism;
- Productive and manufacturing sectors (food value chains, garments and textiles, construction, etc.);
- Urban planning and architecture, facilities management;
- Water efficiency at household/community level (schools, public facilities, etc.);
- Water provision and distribution;
- Research, education and training;
- Biodiversity and ecosystems protection and conservation, including coastal areas;

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in increased awareness, increased cooperation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities, increased demonstration of concepts, increased capacity of local stakeholders, public bodies and policy makers.

These achievements will improve framework conditions for the uptake of technologies and the broad implementation of water efficiency, water-related climate change adaptation water saving incentives, water cycle management and water bodies rehabilitation. This will reduce pressure on water and assist upgrading the status of water bodies in the medium term.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations.

Transnational actions will contribute to the UN Sustainable Development Goals (SDGs), especially Goal 6 “Ensure availability and sustainable management of water and sanitation for all”, Goal 13 “Take urgent action to combat climate change and its impacts”, Goal 14 “Conserve and sustainably use the oceans, seas and marine resources for sustainable development” and Goal 15 “Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse”.

They will also contribute relevant EU policies and strategies, including the European Green Deal, especially concerning the initiatives for sustainable water management, enhancing biodiversity and nature protection and green infrastructures, risk prevention and disaster resilience, climate pact and climate change adaptation and sustainable agriculture (the EU Strategy on Adaptation to Climate Change; the European Climate Pact. the ‘Farm to Fork’ strategy, and the EU biodiversity strategy for 2030, etc.).

Finally, this SO may also contribute to regional frameworks, Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) and especially the Mediterranean Strategy for Sustainable Development, those of the Union for the Mediterranean (‘2030 GreenerMed Agenda’, the 2016 Ministerial Declaration on energy and the 2021 Declaration of the Ministerial Conference on Environment and Climat), and EU initiatives (e.g., WestMED), etc.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.5	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	9
2	RSO2.5	RCO116	Jointly developed solutions	solutions	0	10
2	RSO2.5	RCO81	Participations in joint actions across borders	participations	0	605
2	RSO2.5	RCO87	Organisations cooperating across borders	organisations	0	86

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.5	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	11.00	Monitoring data	
2	RSO2.5	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	43.00	Monitoring data	
2	RSO2.5	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021	302.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO 2.5 project applicants and/or partners are expected to include civil society organisations (incl. environmental NGOs), local, regional and national authorities, public utilities providers, protected areas management bodies, local MSMES, professional associations, policy makers.

Target groups of the assistance i.e. those that may be targeted by an individual project and benefit from its activities may include (M)SMEs and their professional associations and peer networks including farmers, livestock owners and fisher/aquaculture operators, providers of business intermediate services to the relevant sectors including IT developers, owners of water rights, graduates and researchers, employees of the beneficiary organisations, consumers, municipalities, citizens and dwellers, tourists and other relevant organisations related to the potential beneficiaries and decision makers, research and education institutes.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	064. Water management and water resource conservation (including river basin management, specific climate change adaptation measures, reuse, leakage reduction)	12,122,460.00
2	RSO2.5	Interreg Funds	066. Waste water collection and treatment compliant with energy efficiency criteria	12,122,460.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	01. Grant	24,244,920.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.5	Interreg Funds	33. Other approaches - No territorial targeting	24,244,920.00

### 2.1.1. Specific objective: RSO2.6. Promoting the transition to a circular and resource efficient economy

Reference: point (e) of Article 17(3)

#### SO 2.6 Promoting the transition to a circular and resource efficient economy

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

#### **Territorial needs and challenges**

The programme area is in a transition regarding circular economy. Many countries moved away from traditional ways of production to industrial structures. However, the cycle of recycling and re-use is not fully in place. The area needs to intervene in every stage of the material consumption and disposal cycle and reduce the load along the chain with the ultimate goal of minimising or eliminating final disposals following the "polluter pays" principle (applying only to EU Member States) and waste hierarchy principles. Tourism plays an important role in this field, as it is a sector where target groups are welcoming sustainable practices.

#### **Transnational actions**

In this SO the programme will support transnational cooperation to increase awareness and co-operation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities in the fields of life-cycle management, product design, waste management (including anaerobic digestion of separately collected bio-waste), resource efficiency, transportation of recycled products such as biomethane and recycling. It also helps to increase uptake of relevant technologies through pilots and proof-of-concept approaches. This can be done effectively only in an enabling environment of administration and decision-making bodies with capacity and provisions in the aforementioned fields.

#### **Examples of indicative actions that could be supported (non-exhaustive):**

A 2.6.1 Implementation of pilots to demonstrate technical, financial and environmental benefits of measures related to life-cycle management, product design, waste management, resource efficiency for industries and households and recycling engaging local authorities, public utility providers, professional associations, consumers, and NGOs, local companies/service providers and environmental agencies.

A 2.6.2 Transnational initiatives related to the technology transfer, utilisation of research outcomes and adaptation to local needs and capacities of local and regional authorities, public utility providers, professional associations practitioners, companies and supply chains related to product design, waste management, resource efficiency and recycling

A 2.6.3 Transnational initiatives to increase awareness and encourage active participation of citizens, civil society organizations and private sector and cooperation with public authorities regarding resource efficiency, impacts of resource use and consumption patterns

A 2.6.4 Integration and adaptation in regulatory frameworks, policy formulation and decision-making and policy formulation of regional and local authorities of provisions and performance standards promoting resource efficiency, life cycle management, recycling provisions and circular economy mainstreaming, taking into account national policies and regulatory frameworks.

**The Interreg NEXT MED programme could fund actions in the following fields and sectors (non-exhaustive):**

- Agriculture, farming, aquaculture and fisheries;
- Sustainable tourism;
- Productive and manufacturing sectors (food value chains, garments and textiles, construction, etc.) including product and process design;
- Construction;
- Urban planning and architecture, facilities management;
- Public utilities;
- Research, education and training;
- Biodiversity and ecosystems protection and conservation;

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in increased awareness, increased cooperation, technology transfer, utilisation of research outcomes and adaptation to local needs and capacities, increased demonstration of concepts, increased capacity of local stakeholders, public bodies and policy makers.

These achievements will improve framework conditions for the uptake of technologies and the broad implementation of resource efficiency, life cycle management, recycling provisions and circular economy mainstreaming.

This will reduce demand for resources on the one side and pressure on the landscape and water resources on the other. The effect will be less pollution, more resilience and increased local economic cycles in the medium term.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations.

Transnational cooperation actions will contribute to the UN Sustainable Development Goals (SDGs), especially Goal 12 “Ensure sustainable consumption and production patterns, Goal 14 “Conserve and sustainably use the oceans, seas and marine resources for sustainable development and Goal 15 “Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse”.

They will also contribute to relevant EU policies and strategies, including the European Green Deal, especially concerning the initiatives for the transition towards a circular economy; the EU Circular Plastics Alliance, the European Raw Materials Alliance, and the EU circular economy action plan (CEAP).

Actions will also contribute to regional frameworks, such as those of the Union for the Mediterranean (‘2030 GreenerMed Agenda’, the 2016 Ministerial Declaration on energy and the 2021 Declaration of the Ministerial Conference on Environment and Climate).

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
2	RSO2.6	RCO116	Jointly developed solutions	solutions	0	10
2	RSO2.6	RCO87	Organisations cooperating across borders	organisations	0	86
2	RSO2.6	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	9
2	RSO2.6	RCO81	Participations in joint actions across borders	participations	0	605

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
2	RSO2.6	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021	302.00	Monitoring data	
2	RSO2.6	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	43.00	Monitoring data	
2	RSO2.6	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	11.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO2.6. project applicants and/or partners are expected to include civil society organisations (including environmental NGOs), local, regional and national authorities, public utilities providers, protected areas management agencies, civil protection agencies, local SMES, professional associations, policy makers and decision makers, research and education institutes.

Target groups of the assistance i.e. those that may be targeted by an individual project and benefit from its activities may include (M)SMEs and their professional associations and peer networks, providers of business intermediate services to the relevant sectors including IT developers and product designers, graduates and researchers, employees of the beneficiary organisations, consumers, municipalities and their public utilities providers, citizens and dwellers, tourists and other relevant organisations related to the potential beneficiaries.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	067. Household waste management: prevention, minimisation, sorting, reuse, recycling measures	12,122,460.00
2	RSO2.6	Interreg Funds	075. Support to environmentally friendly production processes and resource efficiency in SMEs	12,122,460.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	01. Grant	24,244,920.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
2	RSO2.6	Interreg Funds	33. Other approaches - No territorial targeting	24,244,920.00

## 2.1. Priority: 3 - Priority 3: A more social and inclusive Mediterranean

Policy objective 4 - A more social and inclusive Europe (and its Neighbourhood) implementing the European Pillar of Social Rights

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: RSO4.2. Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

Reference: point (e) of Article 17(3)

SO 4.2 Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

### **Territorial needs and challenges**

The programme area is characterised by growing social disparity, exclusion and inequality in opportunity. Equal access to education and training supports social mobility and the reduction of poverty, inequalities and gender divide yet there is significant variation in relation to the quality of and access to educational services across the programme area. Lower educational attainment is a significant risk factor for disengagement from the labour market, whilst unequal access to quality broadband connectivity, IT equipment and digital learning is a significant disadvantage for certain groups of learners. E-learning could potentially provide new opportunities for learners in rural and remote areas and for other disadvantaged groups, reducing regional disparities and increasing regional resilience.

The programme area needs to create a workforce that can contribute to competitiveness, innovation, and growth and demonstrate resilience and preparedness in the face of industrial transition. Digital skills help individuals prepare for the digital transformation, yet relatively low levels of literacy and digital competencies are apparent in many areas, threatening to exacerbate existing inequalities. Meanwhile education and training will need to meet emerging green and blue skills needs and reflect changing job profiles. Continuous workforce adaptation through up-skilling and re-skilling and lifelong learning provision is key to preventing unemployment in a context of green, digital and sectoral transitions and ensuring skills matching.

### **Transnational actions**

Under this SO the programme will support transnational actions that aim at improving equal access to education and learning opportunities and ensuring that no-one is left behind in the economic recovery and digital and green transitions. Support will also aim to ensure that skills needs match labour market demand and that a better access to education and learning opportunities adequately prepare disadvantaged groups to enter the labour force. Transnational educational and vocational training opportunities, including lifelong learning, e-learning and platforms for e-education will be promoted, as well as activities

specifically focused upon the access and mobility of those groups that suffer particular barriers to participation. Actions will include digital literacy programmes and initiatives especially aimed at the under-privileged and under-represented sections of the population, and wider transnational educational programmes and actions that promote equality, inclusion and empowerment. Actions should seek synergies and avoid overlaps with initiatives funded by other EU funds such as ESF+.

**Examples of indicative actions that could be supported (non-exhaustive):**

A.4.2.1 Transnational educational /training measures and partnerships to anticipate skills needs, including through on the job training and work experience

A.4.2.2 Development of transnational platforms and digital infrastructures for e-learning and e-education

A.4.2.3 Digital literacy programmes and initiatives especially among migrants, NEETs, youth, women, the under-privileged, long-term unemployed and rural populations.

A.4.2.4 Development of transnational/international partnerships, schemes, initiatives and innovations to improve education opportunities, quality, access and mobility for groups with specific barriers to participation (youth, women, migrants, asylum seekers (according to national provisions), long-term unemployed and persons with special needs).

A.4.2.5 Transnational actions and services that promote gender equality, equal opportunities, social inclusion and socio-economic integration and empowerment.

**The Interreg NEXT MED programme will fund actions in the following fields and sectors (non-exhaustive):**

-Education, vocational education and training

-Lifelong learning and life skills;

-Digital tools, solutions and skills

-Blue, Green and Circular economy

-Sustainable tourism

-Social economy and entrepreneurship

-Employment and business services

**Expected results and contribution to the specific objective.**

Transnational cooperation actions will reduce inequalities in relation to access to and quality of education and training by improving the skills set of disadvantaged groups/communities and ensuring the provision of new, better, more equal services for skills development. It will ensure a more spatially and socially equitable set of public services and hence contribute to reducing socio-economic disparities and promoting the principle of equal opportunities. The SO will enable the programme area to respond to the changing skills needs and job profiles that will emerge within the wider context of the green economy, digitalisation and industrial transition, improving resilience and preparedness at the level of the Mediterranean.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with

disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations. Compliance with Directive (EU) 2016/2102 (Web Accessibility Directive, WAD) will be ensured.

Transnational Cooperation will contribute to the 2030 Sustainable Development Goals number 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. SDGs 1 (no poverty), 5 (Gender equality), 8 (Decent work and economic growth), 10 (reduced inequalities) are also particularly relevant. It is aligned with the European Pillar of Social Rights' aims to improve working and living conditions in the EU through equal opportunities and access to the labour market, fair working conditions and social protection and inclusion. Cooperation can contribute to the European New Skills Agenda, the European Education Area by 2025, and the Digital Education Action Plan (2021-27) through making the right training skills. EU initiatives for cooperation to address skills also include the Blueprint for Sectoral Cooperation on Skills and the Digital Skills and Jobs Coalition, whilst Europe's Digital Decade underlines the importance of digital skills and education for a successful and sustainable recovery and a digital transformation by 2030. Erasmus+, the European Commission Skills for SMEs, the EU Active Inclusion Strategy and the Long-term Vision for Rural Areas support the provision of new and improved skills and form a strategic framework for European cooperation in education and training.

Synergies can be developed with regional frameworks such the UfM Skills for Success, Youth Strategy 2030, WOMED initiative, GFCM 2030 Strategy; Incorpora Labour Integration Programme, Conference on Disability and Social Inclusion in the Mediterranean and the WestMED Initiative's Skills Development priority.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature.

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO4.2	RCO85	Participations in joint training schemes	participations	0	756
3	RSO4.2	RCO116	Jointly developed solutions	solutions	0	14
3	RSO4.2	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	12
3	RSO4.2	RCO82	Participations in joint actions promoting gender equality, equal opportunities and social inclusion	participations	0	443
3	RSO4.2	RCO87	Organisations cooperating across borders	organisations	0	118

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO4.2	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	8.00	Monitoring data	
3	RSO4.2	RCR81	Completion of joint training schemes	participants	0.00	2021	605.00	Monitoring data	
3	RSO4.2	RCR85	Participations in joint actions across borders after project completion	participations	0.00	2021	977.00	Monitoring data	
3	RSO4.2	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	59.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO4.2. project applicants and/or partners are expected to include public authorities and agencies across all government levels, public and private training and educational providers and organisations, business associations and networks, enterprises especially (M)SMEs, social enterprises, IT developers, digital hubs, centres of competence.

The target groups of the assistance i.e., those that may be targeted by an individual project and benefit from its activities may include migrants, NEETS, socially excluded, women, youth, rural inhabitants, unemployed workers, employees of the beneficiary organisations and other organisations listed above depending on the nature of the project.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	140. Support for labour market matching and transitions	8,332,280.00
3	RSO4.2	Interreg Funds	145. Support for the development of digital skills	8,332,280.00
3	RSO4.2	Interreg Funds	152. Measures to promote equal opportunities and active participation in society	8,332,280.00
3	RSO4.2	Interreg Funds	151. Support for adult education (excluding infrastructure)	8,332,280.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	01. Grant	33,329,120.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.2	Interreg Funds	33. Other approaches - No territorial targeting	33,329,120.00

2.1.1. Specific objective: RSO4.5. Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family- and community-based care

Reference: point (e) of Article 17(3)

SO 4.5 Ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family- and community-based care

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

### **Territorial needs and challenges**

The programme area is characterised by high levels of unmet needs for medical care, disparities in availability and quality of and access to healthcare and insufficient capacity in terms of facilities and equipment. Rural, remote and less densely populated areas in particular suffer from reduced access to health services and an imbalance between human capital for health between rural and urban areas. Health is a key factor in regional development and competitiveness with timely and universal access to high-quality healthcare is essential in addressing inequalities, reducing social exclusion and poverty, increasing the productivity of the workforce and facilitating people's active participation in society.

The COVID-19 pandemic has highlighted the vulnerabilities of the various health systems and demonstrated that the disadvantaged have tended to suffer disproportionately. The programme area needs to strengthen the preparedness and resilience of its health care systems and capabilities and ensure equal and timely access for all to an affordable, efficient and sustainable health service.

### **Transnational actions**

This SO will support activities that target equality of access between geographical areas and social groups to high quality, sustainable, timely and affordable healthcare; capacity and expertise of the health systems; the uptake of e-health and digital solutions; and research and innovation in health technologies and innovation. Focus will be on capacity-building within the health and social care sectors, through increased cooperation, knowledge exchange and training and mobility, incorporating the third sector and wider communities, in order to improve efficiency, resilience and preparedness; improvements to actual provision of public services that could result from critical mass or digital solutions, as well as the development and piloting of new technological tools, solutions and processes.

Actions should seek synergies and avoid overlaps with initiatives funded by other EU funds such as ESF+.

### **Examples of indicative actions that could be supported (non-exhaustive):**

A.4.5.1 Development and pilot of transnational digital tools, innovations, applications and services to improve health care provision and enhance equal and timely access to quality services

A.4.5.2 Measures to improve the resilience of the healthcare systems and capacity of civil society organisations and communities in healthcare, including

transnational networking, capacity-building and training in healthcare improving preparedness and adaptation to pandemics and other health crises.

**The Interreg NEXT MED programme will fund actions in the following fields and sectors (non-exhaustive):**

- Social care sector
- Health care and well-being
- Emergency and response services
- Services for the community
- Digital tools, applications and solutions
- Education and training
- Social economy

**Expected results and contribution to the specific objective**

Transnational cooperation actions will result in improved delivery, efficiency, accessibility and timeliness of public health services due to increased ICT take up and use of innovative e-health and tele-health approaches, as well as improved resilience and capacity of civil society and communities to engage in and provide health and social care. Increased cross-border cooperation, partnership working and learning among stakeholders will enable the delivery of healthcare services and management of health risks on a transnational basis and hence increased capacity and preparedness and adaptability to public health crises.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations. Compliance with Directive (EU) 2016/2102 (Web Accessibility Directive, WAD) will be ensured.

Under specific objective 4.5, transnational cooperation can contribute to SDGs number 1 (no poverty), 3 (Good health and well-being), 5 (Gender equality), 10 (reduced inequalities) and 11 (sustainable cities and communities), and EU policies and strategies such as the European Health Union, and the right to timely, affordable and good quality preventative and curative healthcare as enshrined in the European Pillar of Social Rights (EPSR) and the EU Charter of Fundamental Rights. The "eHealth and ageing initiatives", "Enabling the digital transformation of health and care in the Digital Single Market" as well as the ERASMUS+ funded MED-Health project are all potential areas where synergies could be developed, as are the UFM's Women's Right to Health Initiative and Conference on Disability and Social Inclusion in the Mediterranean.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
3	RSO4.5	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	6
3	RSO4.5	RCO87	Organisations cooperating across borders	organisations	0	55
3	RSO4.5	RCO85	Participations in joint training schemes	participations	0	353
3	RSO4.5	RCO116	Jointly developed solutions	solutions	0	6

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
3	RSO4.5	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	4.00	Monitoring data	
3	RSO4.5	RCR81	Completion of joint training schemes	participants	0.00	2021	282.00	Monitoring data	
3	RSO4.5	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	28.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under SO4.5 project applicants and/or partners are expected to include public authorities and agencies across all government levels, public and private health, social care and well-being organisations and services, emergency and response services, hospitals and other care facilities, training organisations and educational providers, medical networks and associations, enterprises including social enterprises operating in the field of health and social care, IT developers.

The target groups of the assistance i.e., those that may be targeted by an individual project and benefit from its activities include people residing in border areas, medical staff and patients, socially excluded or geographically disadvantaged people e.g., migrants, asylum seekers, rural inhabitants, unemployed workers. Additionally, other employees of the beneficiary organisations as well as potentially the other organisations listed above may benefit depending on the nature of the project.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.5	Interreg Funds	160. Measures to improve the accessibility, effectiveness and resilience of healthcare systems (excluding infrastructure)	7,776,795.00
3	RSO4.5	Interreg Funds	131. Digitalisation in health care	7,776,795.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.5	Interreg Funds	01. Grant	15,553,590.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
3	RSO4.5	Interreg Funds	33. Other approaches - No territorial targeting	15,553,590.00

## 2.1. Priority: 4 - Priority 4: A better cooperation governance for the Mediterranean

Interreg specific objective 1 - Interreg-specific objective of a better cooperation governance

Reference: point (d) of Article 17(3)

2.1.1. Specific objective: ISO6.6. Other actions to support better cooperation governance (all strands)

Reference: point (e) of Article 17(3)

ISO 1.6 - Other actions to support better cooperation governance

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

Reference: point (e)(i) of Article 17(3), point (c)(ii) of Article 17(9)

### **Territorial needs and challenges**

The Interreg NEXT MED programme covers a hugely heterogeneous set of territories, economic realities, societies and politico-administrative cultures. The area has a strong shared identity and cultural affinity and a long history of successful cooperation within EU and international governance and cooperation frameworks, most recently in the context of the New Mediterranean Agenda. Nevertheless, it is an area of enormous complexity with overlapping policy frameworks and coordination measures, including regional, bilateral and thematic strategies and initiatives, and varying degrees of government performance, administrative capacity and resources as well as societal engagement and participation. A North-South divide is evident in demographic, socio-economic and environmental aspects. A common approach, understanding and definition to jointly identified challenges for development, that foster multi-actor engagement and participation will enable solutions that address shared priorities across the Mediterranean. The ISO responds to needs to better identify and build upon synergies, commonalities and complementarities across the Mediterranean space and its various actors, increasing their organisational and institutional capacities for cooperation and facilitating the creation of more permanent and sustainable transnational actions, tools and platforms that enable a longer-term perspective and deeper regional integration.

### **Transnational actions**

The ISO will focus upon improving and strengthening capacity at all territorial levels and amongst all stakeholders and potential cooperation actors to participate in transnational initiatives in the Mediterranean. Activities in this field could enable the emergence of new areas for cooperation and the development of explorative strategy building, reinforcing transnational policy recommendations and improving the impact on the territories and service delivery through innovative and participatory solutions and approaches. This specific objective will help enhancing the capacities of public authorities (relevant regional, local, urban and other public authorities) and other stakeholders (economic and social partners, research institutions and universities, bodies representing civil society) to effectively deliver towards the socio-economic and environmental well-being of citizens and places. It will contribute to foster local governance models and processes by strengthening cross-sectoral, multilevel and cross-border partnership, encouraging the cooperation and

dialogue between citizens, civil society actors and institutions in view of addressing issues of joint interest at local level through transnational exchanges, bottom-up and participatory approaches.

Actions will aim to incorporate a multi-level and multi-sector/multi-actor approach, including potential private sector, territorial and thematic networks, social economy and civil society participation as well as people to people actions, that will be specifically encouraged.

**Examples of indicative actions that could be supported (non-exhaustive):**

ISO 1.6.1 Promote and implement measures and joint actions to improve the institutional capacity of public authorities and other stakeholders, especially at the local level, to design and effectively deliver public services for the socio-economic and environmental well-being of citizens and places.

ISO 1.6.2 Develop and implement common tools to promote local governance processes by strengthening cross-sectoral, multilevel and transnational partnership, encouraging the cooperation between citizens, civil society actors and institutions in view of identifying and addressing issues of joint interest at local level through exchanges, bottom-up and participatory approaches.

ISO 1.6.3 Design and implement tools and platforms, including digital ones, that create a more convenient access for citizens to public services and a better connection and dialogue between administrations and local stakeholders.

**The Interreg NEXT MED programme will fund actions in the following fields (non-exhaustive):**

- Public administration, organization and policy management
- Project and strategy design and implementation and knowledge management and information services
- Training and capacity building
- Dissemination and communication
- Social economy and social innovation
- Community, civil society and people to people initiatives
- Digital tools, solutions and platforms

**Expected results and contribution to the specific objective**

Transnational cooperation activities will result in improved capacity for public administrations and stakeholders to jointly identify development priorities and effectively design and implement cooperative policies, strategies and actions that address issues of shared interest, especially at local/regional level, consistently with the priority framework of the Programme. A Mediterranean basin approach will be encouraged to ensure that transnational interactions are facilitated in order to allow the exchanges of good practices and joint efforts in the design and implementation of better-quality services, innovative solutions and/or governance processes in the region. Transnational actions should contribute to enhanced dialogue, cooperation and integration among public administrations, citizens and other stakeholders in the ownership of the Programme and the use of its opportunities to jointly advance on issues of local interest through participatory, integrated processes for a sustainable and inclusive development.

Throughout the programme preparation, implementation, monitoring, reporting and evaluation phases, Interreg NEXT MED will ensure the compliance with the horizontal principles: respect of fundamental rights, promotion of gender equality, prevention of discrimination including accessibility for people with disabilities, promotion of sustainable development, and in line with the partner countries' national laws and regulations.

Transnational cooperation can contribute to SDGs number 17: Partnership to achieve the Goal. EU policies and strategies that are relevant include the Commission Communications on “Strengthening Innovation in Europe’s Regions: Strategies for resilient, inclusive and sustainable growth” and "Boosting growth and cohesion in EU border regions". The latter notes the contribution of Interreg to increased trust and overcoming barriers and obstacles between businesses, institutions and citizens across national borders, the pooling of resources and sharing of public services. The EU’s macro-regional and sea-basin strategies tackle commonly identified challenges in a designated functional area. In the case of the Mediterranean space, the relevant strategies are the Initiative for the sustainable development of the blue economy in the western Mediterranean, the WestMed Initiative with its goal of improved maritime governance, and the Commission Communication on the Western Mediterranean which focuses on the benefits and opportunities of the participating countries working together on joint activities. In addition, the UFM initiative on Economic Development through Local Empowerment (EDILE) aims to support public administration’s capacity.

The types of actions have been assessed as compatible with the DNSH principle, since they are not expected to have any significant negative environmental impact due to their nature

2.1.1.1b. Definition of a single beneficiary or a limited list of beneficiaries and the granting procedure

Reference: point (c)(i) of Article 17(9)

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### 2.1.1.2. Indicators

Reference: point (e)(ii) of Article 17(3), point (c)(iii) of Article 17(9)

Table 2 - Output indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Milestone (2024)	Target (2029)
4	ISO6.6	RCO87	Organisations cooperating across borders	organisations	0	63
4	ISO6.6	RCO84	Pilot actions developed jointly and implemented in projects	pilot actions	0	6
4	ISO6.6	RCO116	Jointly developed solutions	solutions	0	7

Table 3 - Result indicators

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Target (2029)	Source of data	Comments
4	ISO6.6	RCR84	Organisations cooperating across borders after project completion	organisations	0.00	2021	31.00	Monitoring data	
4	ISO6.6	RCR104	Solutions taken up or up-scaled by organisations	solutions	0.00	2021	4.00	Monitoring data	

### 2.1.1.3. Main target groups

Reference: point (e)(iii) of Article 17(3), point (c)(iv) of Article 17(9)

The target group under each SO will refer to multiple levels of programme and project operation and are non-exhaustive.

Under ISO1.6. project applicants and/or partners are expected to include public authorities and agencies across all government levels, public and private training and educational providers and organisations, private sector organisations including (M)SMEs and social enterprises, NGOs and civil society organizations; professional and business associations and networks, IT developers and digital hubs, public and private research centres including the higher education sector.

The final targets of the assistance i.e. those that may be targeted by an individual project and benefit from its activities include workers from public administration and the education sectors, experts or entrepreneurs from sectors selected under the programming objectives, citizens and civil society as well as any other employees of the beneficiary organisations /other organisations listed above depending on the nature of the project.

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

Reference: Article point (e)(iv) of 17(3)

Given its objectives and wide geographical scope, Interreg NEXT MED targets all the regions of the programme area, with no particular focus on specific territories. As a general ambition, the programme aims at contributing at a balanced, inclusive, integrated, and sustainable territorial development. Having considered that the challenges identified as part of the thematic strategy - SMEs development, innovation capacities, environmental challenges, education, health, better cooperation governance - are equally relevant to different types of territories, coastal, rural, urban areas for instance, there is no specific distinction regarding to the territories to be covered by the planned interventions.

As a result, the programme has no plans to use specific territorial tools such as community-led local development or integrated territorial investments, also considering the significant diversity of institutional arrangements in terms of territorial governance levels in the cooperation area.

In any case, projects might consider specific territorial dimensions to frame the implementation of the planned activities. Finally, if expressly requested by the Monitoring Committee, the terms of reference of the different calls for proposals could contain further specifications regarding the particular relevance of certain types of territories.

#### 2.1.1.5. Planned use of financial instruments

Reference: point (e)(v) of Article 17(3)

As reported in section 1.3, financial support to projects will be delivered through grants. In addition, due to the non-income generating nature of the activities to be implemented - including pilots, training, capacity-building, exchange and transfer of good practices, etc. - the Interreg NEXT MED does not foresee the possibility for use of financial instruments.

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

Reference: point (e)(vi) of Article 17(3), point (c)(v) of Article 17(9)

Table 4 - Dimension 1 – intervention field

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	173. Enhancing institutional capacity of public authorities and stakeholders to implement territorial cooperation projects and initiatives in a cross-border, transnational, maritime and inter-regional context	17,775,531.00

Table 5 - Dimension 2 – form of financing

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	01. Grant	17,775,531.00

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

Priority	Specific objective	Fund	Code	Amount (EUR)
4	ISO6.6	Interreg Funds	33. Other approaches - No territorial targeting	17,775,531.00

### 3. Financing plan

Reference: point (f) of Article 17(3)

#### 3.1. Financial appropriations by year

Table 7

Reference: point (g)(i) of Article 17(3), points (a) to (d) of Article 17(4)

Fund	2021	2022	2023	2024	2025	2026	2027	Total
Interreg Funds	0.00	49,376,676.00	42,928,362.00	43,616,643.00	44,328,499.00	35,567,362.00	37,508,237.00	253,325,779.00
Total	0.00	49,376,676.00	42,928,362.00	43,616,643.00	44,328,499.00	35,567,362.00	37,508,237.00	253,325,779.00

### 3.2.Total financial appropriations by fund and national co-financing

Reference: point (f)(ii) of Article 17(3), points (a) to (d) of Article 17(4)

Table 8

Policy objective	Priority	Fund	Basis for calculation EU support (total eligible cost or public contribution)	EU contribution (a)=(a1)+(a2)	Indicative breakdown of the EU contribution		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
					without TA pursuant to Article 27(1) (a1)	for TA pursuant to Article 27(1) (a2)		National public (c)	National private (d)			
1	1	Interreg Funds	Total	73,324,066.00	66,658,242.00	6,665,824.00	8,147,119.00	4,888,271.00	3,258,848.00	81,471,185.00	89.9999993863%	0.00
2	2	Interreg Funds	Total	106,677,648.00	96,979,680.00	9,697,968.00	11,853,075.00	7,111,845.00	4,741,230.00	118,530,723.00	89.9999977221%	0.00
4	3	Interreg Funds	Total	53,770,981.00	48,882,710.00	4,888,271.00	5,974,554.00	3,584,732.00	2,389,822.00	59,745,535.00	89.9999991631%	0.00
6	4	Interreg Funds	Total	19,553,084.00	17,775,531.00	1,777,553.00	2,172,565.00	1,303,539.00	869,026.00	21,725,649.00	89.999995397%	0.00
	Total	Interreg Funds		253,325,779.00	230,296,163.00	23,029,616.00	28,147,313.00	16,888,387.00	11,258,926.00	281,473,092.00	89.9999986500%	0.00
	Grand total			253,325,779.00	230,296,163.00	23,029,616.00	28,147,313.00	16,888,387.00	11,258,926.00	281,473,092.00	89.9999986500%	0.00

#### 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: point (g) of Article 17(3)

Following the establishment of the Interreg NEXT MED Task Force in April 2020, a territorial analysis was drafted and revised between July and September 2020.

In accordance with Article 8 CPR and in the context of the revised territorial analysis, the 1st national consultation was held in September/October 2020. A questionnaire was sent to the task force members for further distribution with the following topics:

- inform the orientation of the programme within the EU cohesion and neighbourhood policy framework;
- rank the Policy Objectives in order of importance or relevance to the programme area;
- prioritise Specific Objectives of each Policy Objective.

The results of the first national consultation displayed a rank headed by Policy Objectives with PO2 and PO1 followed by PO4, PO3 and PO5. Among ISOs, classified separately, ISO 1 was clearly preferred to ISO 2.

A similar exercise was repeated in February 2021 in order to confirm the Policy Objectives and to select the most relevant Specific Objectives. In this second round of consultations, stakeholders from the 15 countries have been addressed, through an online survey prepared in collaboration with TESIM and each National Authority. In consistency with Article 8 of the CPR, the online survey targeted public authorities, research centres, economic and social partners and bodies representing civil society, including environmental partners, community-based and voluntary organisations.

The modalities of submission of the questionnaire and the type/number of organisations to be consulted at country level was decided autonomously by each national delegation, reflecting the composition and diversity of the partnership at national level.

A total of 500 completed questionnaires was collected from the 15 countries, with respondents representing a series of actors, encompassing, among others, universities and research centers (25%), central and national public institutions (25%), regional and local public authorities (21%), nonprofit and civil society organisations (16%) and private sector and business support organisations (9%).

The overall results from this second round of consultation confirmed the preference to the Policy Objectives previously identified, with a clear convergency towards PO1 and PO2.

Within the PO4, SO 4.2 on education stands out, followed by SO 4.4 which addresses the varied and current issue of health. As regards PO2, much convergence has taken place on the objectives related to energy efficiency (2.1), together with the topic of water, addressed in the SO 2.3. On PO2, the greatest variety of results was experienced, with some countries having clearly privileged issues related to climate change (SO2.2) or the circular economy (SO2.4). On PO1, the preferred SOs in the various countries concerned the research and innovation sector (SO 1.1) and that of support for MSMEs (SO 1.3). In the case of the Interreg specific objective, the programme partners divided their interest between ISO 1.2, aimed at fostering dialogue between institutions and citizens and ISO 1.1, aimed at strengthening the management of territories by local authorities.

A parallel consultation was carried out, targeting the main programmes and initiatives underway in the Mediterranean area, the EU Delegations in Mediterranean Partner Countries, and separately, with the beneficiaries of the ongoing ENI CBC Med funded projects.

In May 2022, the consolidated version of the programme document was the subject of public consultation. An online questionnaire, accessible through the programme website and the institutional websites of the National Authorities involved, remained online from 1/05/2022 to 31/05/2022. The questionnaire was answered by 264 respondents distributed between Member States (29%) and Partner Countries (71%) and operating in various areas consistent with the issues addressed by the programme and in both the public and private sectors. The 78.7% of the answers said they were satisfied with the programme strategy and

84.5% considered the description clear and exhaustive. The breakdown of available funds was considered appropriate by 73% of respondents, while 81.7% agreed with the selection of the proposed indicators. A percentage of 83.3% said they were satisfied with the composition of the steering and management bodies of the programme. Among the possible improvements emerging from the consultation, several respondents stressed the need to increase the budget of PO4 “A more social & inclusive Mediterranean” considering the current global inflation and recession. Environmental actions, also encompassing irrigation and water management, have been pointed out as in need of extra attention and funds.

In accordance with Article 8 of the CPR, the involvement of programme partners will be ensured during the implementation of the Programme, through participatory mechanisms specifically designed to the scope.

The role of the Programme partners in the implementation, monitoring and evaluation of Interreg NEXT MED is embedded both in its mechanisms and structure which underpin the implementation of the programme.

The structure is designed to ensure an effective implementation and monitoring, based on a strong participative element of the countries in many of the Programme bodies, ensuring a high level of ownership not only by the members of the Monitoring Committee but also by other partners involved into ad hoc consultations in key moments of the programme cycle. Considering the transnational nature and the geographic extension of the Programme as well as the different political and legal frameworks, the participating countries will be the primary actor in the governance structure. The institutional representation of the participating countries and the governance mechanisms of the programme are designed to ensure an important role of all programme partners and stakeholders in the programme based on a bottom up and participatory approach, through ad hoc consultation and networking events paving the ground for decision making by the Programme Authorities. This will ensure the involvement of stakeholders at local, regional, national and transnational from relevant sectors and groupings, such as civil society, non-governmental organisations, economic sector, research, etc. and from various fields, such as environment, education, economy, etc. The mechanisms to ensure the involvement of all partners will operate in different areas: firstly, through a proactive and programme wide set of consultations which will be led by the programme bodies (MC, MA, BO, JS) and facilitated by the participating countries through their Contact Points; secondly, the participation mechanisms will be included in the programme communication activities, such as events, training, conferences, etc.

The governance structure of the Interreg NEXT MED Programme has been presented, discussed, revised and approved by the Task Force over three separate meetings (May, June, and November 2021).

All participating countries are directly involved in the implementation both at Programme and national level, through three governance bodies: the Monitoring Committee (MC), the Group of Auditors (GoA), and the Contact Point (CP); some countries are also indirectly involved in the Programme management through the hosting of the Branch Offices (BOs), while some countries may also be indirectly involved through their participation in the mixed composition of the Joint Secretariat (JS) by sending seconded officers to the JS (see also par. 7).

All participating countries are also part of the GoA which assists the Audit Authority (AA) in carrying out its functions as per art. 48 and art. 49 of the Regulation (EU) 2021/1059.

The CP is a body set up in each participating country in order to provide a uniform approach across the Programme area to the implementation and communication of the Programme at national level. Each CP performs two main functions and, where applicable, a third one. The first function is to ensure the liaison between the country and the MA on the implementation of the programme, or National Authority (NA) as per art. 54(1) of the regulation. The second function is to act as National Contact Point (NCP) which provides support to potential beneficiaries on project preparation and implementation, and contributes to the communication activities as per art. 36 of the regulation. This function is carried out at national level in co-ordination with the other relevant Programme bodies such as the MA, the BOs and the JS, to ensure complementarity. Moreover, in continuation with the previous programming period 2014-2020, a third function of Control Contact Point (CCP) is performed in the countries not having a “controller” as per art. 46(3) of the Regulation (EU) 2021/1059.

Some countries play a further role in the governance of the Programme through the Branch Offices (BO),

which are set up to reinforce the reach of the Programme, in the Western and Eastern side of the Mediterranean. They will be hosted respectively by the Generalidad Valenciana and the Aqaba Special Economic Zone Authority. In order to capitalise the previous positive experience, reinforced BOs will better serve the increased number of participating countries (from 13 to 15) in the 2021-2027 Programme. The main functions of the BOs are to provide strategic communication, support the above-mentioned engagement mechanisms with the stakeholders, and assist in the implementation of the Programme. Thanks to their position in the governance architecture, i.e. between the programme and the national levels, the BOs play an important coordination role for the communication and implementation activities between the MA and JS on the Programme level, and the Contact Point at national level.

The hosting institutions will provide the logistic and internal staff support, while the external staff will be recruited through open recruitment procedures. The Tunisian authorities will support the Valencia Branch office on the basis of a bilateral agreement with the Spanish authorities, strengthening the impact of the Programme in the South West shore of the Mediterranean. The Aqaba BO is also reinforced compared to the previous Programme, in order to ensure stronger implementation of the Programme in the Eastern part of the Mediterranean.

The consultation of the relevant stakeholders and other initiatives will also be carried out jointly under the monitoring and evaluation element of the Programme. In particular, the MA will draft a detailed Evaluation plan to be approved by the MC where the formative and participative dimension of the evaluation will be taken into account. The Programme will share the results of its implementation through the publication of the relevant information and through the consultation of the stakeholders to gather information on the actual impact of the activities carried out by the projects in the eligible territories. The evaluation of the achievements reached by the Programme will be carried out through a mid-term evaluation and a final evaluation.

The monitoring of the Programme will be implemented through an electronic management and information system by upgrading the current and fully functioning MIS (Monitoring and Information system) which ensures that all exchanges between beneficiaries and all the Programme authorities are carried out by means of electronic data exchange. The system will allow to gather punctual information on the achievement of the result indicators and output indicators at project and Programme level. A specific methodology will be adopted to guide the potential applicants in the selection of the output and results indicators in the application form.

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: point (h) of Article 17(3)

The communication strategy of Interreg NEXT MED, will be further detailed in annual plans.

Communication is a key pillar and will serve the following aims:

- ensuring adequate visibility of the EU contribution and shared strategic objectives with Partner Countries;
- guaranteeing transparency and accountability of the use of EU funds;
- showcasing the impact of the programme and highlight the relevance of Euro-Mediterranean cooperation.

As per article 36 of the Interreg Regulation, the MA will identify a communication officer responsible for the overall coordination of the strategy. Both BOs will contribute to the implementation of the activities with a dedicated budget. Additional staff exclusively assigned to communication tasks will be appointed within the MA and the JS.

### **Objectives**

The communication objectives are designed consistently with the different phases of implementation as follows:

- To inform potential beneficiaries across the cooperation area about the funding opportunities: this is related to the promotion of calls for proposals to reach concerned stakeholders with adequate information and stimulate quality participation.
- To foster integrated and coordinated implementation of communication activities: this concerns the personalized support to be provided to project beneficiaries to ensure impactful communication.
- To increase public awareness about the value of the Programme as a platform for cooperation and dialogue and engage diversified audiences in its promotion: this focuses on the dissemination of results, focusing on success stories, good practices, and (potential) policy change in view of fostering ownership across the eligible territories. Furthermore, this objective will seek to reach audiences not directly involved in the programme implementation (young people, students, opinion leaders/influencers, environmental champions, etc.) so they are made aware of the value of Mediterranean cooperation and advocate for it.

### **Target audiences**

The following audiences will be addressed:

- Core stakeholders, e.g. managing bodies, National Contact Points, DG REGIO, potential applicants and beneficiaries of funded projects;
- Multipliers, namely other DGs of the European Commission, EEAS, EU delegations, the Union for the Mediterranean, national authorities, final beneficiaries of projects, support initiatives to Interreg programmes (Interact, TESIM, EU Neighbours);
- Opinion leaders/influencers, e.g. media, journalists, elected/EU officials, digital influencers, etc.;
- The general public, including young people.

### **Communication channels**

The strategy will rely on a mix of channels able to reach, inform and engage the target audiences across the vast programme area and within a very diversified and complex context:

- Website: the website will continue to be the central platform for informing about opportunities, news and results. In view of ensuring integrated communication, the website will continue to feature project webpages directly managed by beneficiaries. A link to the NEXT MED website will be included on the single website portals of the participating EU Member States as foreseen in Article 46(b)) CPR.

-Social media: building on the significant community consolidated so far, over 27,000 followers on Facebook, Twitter, LinkedIn and Instagram, the programme will further enhance its efforts to actively communicate through social media, and interact with users.

-Campaigns on topics of mutual interest (youth, women's empowerment, plastic pollution, etc.) or celebrated on specific occasions (international/national observances, EU days, etc.) will be launched in order to increase visibility with the general public.

-Events, in both physical and virtual format, will be organised all along the programme lifetime to support its communication objectives and visibility aims.

-Media relations to enhance links with media of the cooperation area and those having a regional/thematic coverage, supporting projects in the development of attractive contents for media.

-Publications (online/print) and audiovisual material, with a focus on videos, to enhance the visual storytelling impact of the programme.

### **Planned budget**

To fulfil the above objectives, up to 0.7% of the Programme budget (approx. €2million) will be indicatively dedicated to communication activities.

### **Monitoring and evaluation**

The Managing Authority is committed to measure the impact of communication in order to take any appropriate measures to enhance/better focus selected activities. A set of quantitative and qualitative indicators will be used to measure the effectiveness of implemented activities:

-output indicators: number of participants in events, web analytics, social media engagements, reach of communication campaigns, media appearances.

-result indicators: degree of satisfaction of applicants, project partners, stakeholders, etc. with the information and support provided by the programme and increased knowledge/awareness of audiences about the programme measured through surveys and questionnaires.

In addition to the above, specific and reinforced communication measures will be considered for operations of strategic importance as described in Appendix 3.

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

Reference: point (i) of Article 17(3), Article 24

Offering support to projects of limited financial value, either directly or through small project funds (art. 25 of Regulation (EU) 2021/1059), does not represent an effective implementing option for the Interreg NEXT MED Programme; both in terms of impact and efficient use of resources. This approach is coherent with strategic implementation envisaged for the Programme, and is based on the experience acquired through the implementation of similar programmes over the two previous programming periods.

This Programme has a strong bottom-up approach and an articulated structure of calls for proposals that enables a range of implementation models for projects - from standard to capitalisation - and covers the full spectrum of policy framework of the Programme strategy. It also provides scope for projects which are smaller than the average project dimension, to stimulate the participation of beneficiaries with a strong youth component. Finally, the high intervention rates make it easier for smaller organisations to participate, and deliver small localized activities within the frame of a larger project.

Given the scale of the challenges to be addressed, and the dimension and the complexity of the Programme area, in order to have a significant impact on the territories, projects shall have a substantial number of partners and with an important level of financial resources. Hence, projects with a limited financial value would not be able to provide the necessary level of investment required to face the wide challenges of the Programme. Moreover, considering the extensive and varied geography of the Programme area, supporting projects of limited financial value would risk diverting the available limited financial resources, away from relatively more strategic projects and ultimately reducing the impact of the Programme.

Secondly, considering the high number of project applications received in the previous programmes, and that similar levels are expected for the current one, setting up a second pipeline for small projects through a *small project fund* would most likely increase the number of applications received thus increasing unnecessarily the pressure on the Programme management systems. This second pipeline would also introduce the risk of duplication of project applications, as the same (or very similar) idea could be presented under regular calls and under the small project fund, albeit at different scale; such duplication would also have a significant impact on the applicants' side as well on the Programme management structures. Thirdly, given the large geographical area covered and the strategic approach of the Interreg NEXT MED Programme, projects with limited financial value would raise the risk of benefitting only small portions of the area or not being able to address issues in an effective way thus reducing the overall impact of the intervention. Lastly, the complexities of the different legal and economic elements across the participating countries poses a significant strain on the assessment and management of administrative issues, this would not be a cost-effective use of resources at small scale level.

These considerations are supported by the experience accumulated in the two previous programming periods - 2007-2013 and 2014-2020 – in which the average size of projects was €1.9m and €2.5m involving 7 and 8 partners, respectively. In the 2014-2020 ENI CBC MED Programme all but three projects were above €1m of total project budget. The level of funding, the type of activities, and the breadth of the partnership of those projects reflect the importance of the challenges tackled, demonstrating that fairly large operations are required to address common challenges and provide impactful results. Nevertheless, the ENI CBC MED Programme has maintained a strong bottom-up approach engaging a wide variety of organisations; in fact, around a third of beneficiaries are NGOs and not-for-profit organisations; some of these are relatively small and with a quite localised geographical area of activity. This reinforces the approach of the Interreg NEXT MED Programme that, although small scale projects are not suitable to the programme implementation, organisations, whether public, private or from the third sector can participate with small own financial contributions. In the previous programmes this was supported by the high intervention rate (90%), which meant that in the 2014-2020 Programme the average co-finance contribution for partners was just under €35.000 and only a third of beneficiaries provided a co-finance over €40.000. This element shows how organisations can participate in larger projects with a limited own financial contribution, thus enabling the Programme to attract a wide range of beneficiaries, including in terms of size and financial capacity. Given that the Interreg NEXT MED Programme has a

similar intervention rate, the same levels and participation and the breadth of organisations can be sustained without needing to introduce specific measure to support small scale projects.

## 7. Implementing provisions

### 7.1. Programme authorities

Reference: point (a) of Article 17(6)

Table 9

Programme authorities	Name of the institution	Contact name	Position	E-mail
Managing authority	Autonomous Region of Sardinia	Ms. Antonella Giglio		agiglio@regione.sardegna.it
Audit authority	Autonomous Region of Sardinia	Ms. Antonella Garippa		agarippa@regione.sardegna.it
National authority (for programmes with participating third or partner countries)	ALGERIA - CENEAPED- Ministère de l'intérieur des Collectivités Locales et de l'Aménagement du Territoire	Ms.KAASSIS Nadia; Mr. SADI Mohamed Anis		Knadia03@yahoo.fr
National authority (for programmes with participating third or partner countries)	ALGERIA - Ministère des affaires étrangères	HAMADACHE Epouse AYAD Rima		r.hamadache@mae.dz
National authority (for programmes with participating third or partner countries)	CYPRUS - Directorate General Growth, Ministry of Finance	Mr. Theodosios A. Tsiolas (Permanent Secretary)		ttsiolas@cm.gov.cy
National authority (for programmes with participating third or partner countries)	EGYPT - Ministry of International Cooperation	Ms Dalia Sadek Mr. Samar Al-Ahdal		dsadek@moic.gov.eg
National authority (for programmes with participating third or partner countries)	FRANCE - Région Sud Provence-Alpes-Côte d'Azur	Mr. Guillaume HUET (responsable) Ms. Patricia DI BIASE		ghuet@maregionsud.fr
National authority (for programmes with participating third or partner countries)	GREECE - Managing Authority of the ETC Programme, Hellinc Ministry of Development and Investments	Ms.Angeliki Bouziani		interreg@mou.gr
National authority (for programmes with participating third or partner countries)	ISRAEL - Department for Multilateral European Organization, Ministry of Foreign Affairs of the State of Israel	Assaf Moran		Assaf.Moran@mfa.gov.il
National authority (for programmes with participating third or partner countries)	ITALY - Agenzia per la Coesione territoriale	Mr. Paolo Galletta		paolo.galletta@agenziacoesione.gov.it
National authority (for programmes with participating third or partner countries)	JORDAN - Ministry of Planning and International Cooperation	Mr. Emad Shanaah		Emad.Shanaah@mop.gov.jo
National authority (for programmes with participating third or partner countries)	LEBANON - Presidency of the Council of Ministers	Judge Mahmoud Makie		m.makie@pcm.gov.lb

Programme authorities	Name of the institution	Contact name	Position	E-mail
partner countries)				
National authority (for programmes with participating third or partner countries)	MALTA - Funds & Programmes Division, Office of the Prime Minister	Ing. Anthony Camilleri, Director General		anthony.c.camilleri@gov.mt
National authority (for programmes with participating third or partner countries)	PALESTINE - Prime Minister Office (PMO)	Dr. Estephan Salameh		estephan.salameh@pmo.pna.ps
National authority (for programmes with participating third or partner countries)	PORTUGAL - Cohesion and Development Agency	Ms. Raquel Rocha		raquel.rocha@adcoesao.pt
National authority (for programmes with participating third or partner countries)	SPAIN - General Directorate of European Funds, Ministry of Finance and Public Administration	Ms. Carmen Hernández Martín; Mr. Jesús Fernández Prisuelos		MCHernandez@sepg.hacienda.gob.es
National authority (for programmes with participating third or partner countries)	SPAIN - Ministry of Foreign Affairs, European Union and Cooperation	Mr. Ricardo Sánchez-Blanco Codornú		ricardo.sanchez-blanco@maec.es
National authority (for programmes with participating third or partner countries)	TUNISIA - Ministère de l'Économie et de la Planification	Mr. Fethi BEN MIMOUN		fethi.benmimoun@mdci.state.tn
National authority (for programmes with participating third or partner countries)	TÜRKIYE - The Ministry of Foreign Affairs of the Republic of Turkey, Directorate for European Union Affairs	Ms. Şebnem Sözer-Head of Department Union Programmes and Cross-border Cooperation		ssozer@ab.gov.tr
Group of auditors representatives	ALGERIA - Ministère des finances	Ms. Amina MOUSSAOUI		amina.moussaoui@mf.gov.dz
Group of auditors representatives	CYPRUS - Internal Audit Service	Mrs. Anna Zavou-Christoforou (Commissioner of Internal Audit)		commissioner@internalaudit.gov.cy
Group of auditors representatives	EGYPT - Ministry of Finance	Mr. Mohamed Ibrahim Mahmoud		m.ibrahim@mof.gov.eg
Group of auditors representatives	FRANCE - Région Sud Provence-Alpes-Côte d'Azur	Jean-Christophe MASSÉ (Inspection Générale, Audits et Evaluation)		Jcmasse@maregionsud.fr
Group of auditors representatives	GREECE - Financial Control Committee (EDEL) Ministry of Finance - General Accounting Office of the State-	Ms. Athinais Tourkolia		grammateia_edel@edel.gr
Group of auditors representatives	ISRAEL - Audit Division, Ministry of Finance of the State of Israel	Toby Rozner		TobyR@mof.gov.il

Programme authorities	Name of the institution	Contact name	Position	E-mail
Group of auditors representatives	ITALY - Ispettorato Generale per i Rapporti finanziari con l'Unione Europea (IGRUE) – Ministero economia e finanze	Ms. Maristella Comisso		Maristella.comisso@mef.gov.it
Group of auditors representatives	JORDAN - Audit Bureau of Jordan	Mrs. Obayda Abu Hamad		ObaydaAbuHamad@ab.gov.jo
Group of auditors representatives	LEBANON - Council for Development and Reconstruction	Ms. Hicham Hachem (Funding Coordinator)		hhachem@cdr.gov.lb
Group of auditors representatives	MALTA - Internal Audit and Investigations Department, Office of the Prime Minister	Stefano Manicolo, Director General		stefano.manicolo.1@gov.mt
Group of auditors representatives	PALESTINE - State Audit Administrative Control Bureau (SAACB)	Mr. Ayman Al-hourb		ahroub@saacb.ps
Group of auditors representatives	PORTUGAL - Inspeção Geral Finanças-Audit Authority	Mr. Ricardo Jorge Reis Team Leader		ricardoreis@igf.gov.pt
Group of auditors representatives	SPAIN - Intervention General del Estado - IGEA - Ministry of Finance and Public Administration	Mr. Rafael Cortes Sanchez		divisionfondos1@igae.hacienda.gob.es
Group of auditors representatives	TUNISIA - Ministère des Finances-Contrôle générale des Finances CGF	Mr. Ramzi Hamdani		ramzi.hamdani@finances.gov.tn
Group of auditors representatives	TÜRKIYE - The Ministry of Treasury and Finance, Board of Treasury Controllers	Mr. Murat Erinç Bayrakçı; Mr. Abbas Örmən; Ms. Nuri Ateş; Mr. İnanç Kaplan		erinc.bayrakci@hmb.gov.tr
Body to which the payments are to be made by the Commission	Italian Ministry of Economy and Finance (Ispettorato Generale per i Rapporti con l'Unione Europea (IGRUE))	Mr. Paolo Zambuto		paolo.zambuto@mef.gov.it

## 7.2. Procedure for setting up the joint secretariat

Reference: point (b) of Article 17(6)

The Interreg NEXT MED Programme will implement a dual staffing model for the composition of the Joint Secretariat (JS): a group of officers as fixed members of JS staff and a group of rotating seconded officers from national or regional administrations of the participating countries. This is in line with art. 46 of the EU Regulation 1059/2021 that the JS “staff should take into consideration the Programme partnership”. Moreover, according to art. 46.2 two Branch Offices will be set up (see par. 4).

The adequate number of JS staff to efficiently serve the size and the complexity of the Programme is deemed to be around 15 officers. The proportion of the JS staff will be at least 2/3 of fixed staff and no more than 1/3 of seconded officers. This will provide stability and consistency to the JS work throughout the duration of the Programme, whilst enabling a significant input of local knowledge from the seconded officers. The exact numbers will be agreed once the participating countries have declared their intention to second an officer.

The fixed JS officers will be organized and employed by an independent organization (a single company or a consortium), which will be selected through a tendering process handled by the MA complying with the relevant procurement legislation. The tender, which will be launched as soon as the MC adopts the profiles of the JS staff and expected during its first meeting, will specify, among others, the type of services, the profiles of the officers, the responsibilities and duties and the contractual relationships between the MA and the organisation. Although the MA does not employ the JS officers, it will retain overall control on the JS activity.

All participating countries will have the possibility to second one officer from national or regional administrations to work in the JS. The duration of the secondments will be of two years but it could be reduced to 1 year or extended to 3 years, depending on the availability of positions and provided that all countries that wish to take part to the scheme can guarantee the secondment.

The profiles and the roles of both fixed and seconded officers will be decided by the Monitoring Committee as soon as it is established.

The participating countries that will take part in the scheme will ensure that the appointed seconded officer meet those requirements; the secondment will be agreed in consultation with the Managing Authority and considering the JS needs.

The seconded officers will remain employed by the sending organisation, e.g. national or regional authority, and their employment status and conditions will not change. Social security and income taxation will remain within the respective national rules. The MA will correspond to the seconded officer a financial contribution to support the costs of living and temporary relocation to Cagliari (Italy), where the JS will be based. The contribution will be in the form of a *per diem* allowance for each actual day of work (about 20 days per month) in the JS; the amount will be in line with the *per diem* rate used by the EC, to comply with the relevant financial regulation.

The administrative and formal aspects of the secondment will be regulated through a bilateral agreement between the sending institution and the MA. If needed the MA, will provide support to meet the legal requirements for relocation. such as visas, work permits, etc.

An assignment letter from the MA to the seconded officer will detail the administrative aspects as well as the duties and the tasks of the officer during the secondment.

The current JS of the ENI CBC MED Programme 2014-2020 will guarantee continuity of JS functions and the follow up of the relevant tasks while the Managing Authority carries out the tendering and seconding procedures to set up the new JS.

The involvement of Interreg Volunteers on the basis of the "Interreg Volunteer Youth" (IVY) will be considered to offer the possibility to involve young people aged 18-30 in cross-border, transnational or interregional programmes and related projects. Being solidarity and volunteering at the heart of IVY, this initiative is part of the European Solidarity Corps.



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

Reference: point (c) of Article 17(6)

According to art. 104 par.1 of the Regulation (EU) 2021/1060 the Commission may impose financial corrections.

Article 52 of the Regulation (EU) sets out the chain of responsibility in case the Managing Authority needs to recover irregular amounts.

### **1) Serious deficiencies**

Serious deficiencies are systemic errors found in the management and control systems of the Programme which may lead to a need for a financial correction.

The level of financial corrections that can be applied will be determined according to the criteria listed in Annex XXV of the Regulation (EU) 2021/1060.

The apportionment of liabilities among participating countries for any such correction will be based on the possibility to identify the responsibility of the deficiency:

A - If it is possible to determine that the responsibility for the deficiency that leads to the correction is:

- i. - directly attributable to one participating country, the entire amount of the correction shall be reimbursed by that country;
- ii. - directly attributable to a Programme body (Managing Authority, Joint Secretariat, or Branch Office), the entire amount of the correction shall be reimbursed by the country hosting the relevant Programme body.

B - If it is not possible to attribute the responsibility to a participating country or to a Programme body, or if the serious deficiency is caused by a Programme-wide systemic error in the management and control system, each participating country shall be responsible for the percentage of the amount of the correction equal to the percentage of the expenditures concerned by the serious deficiency, that have been incurred by the beneficiaries from the respective country and declared by the Managing Authority to the Commission.

The same criteria for the apportionment of responsibilities shall apply also when the total error rate and residual error rate stemming from audit control exceed the level of 2%.

### **2) Recovery of irregular expenditures**

In case of financial corrections applied as a result of irregular expenditures by a project or a group of projects, the Managing Authority will determine the amount of the correction for each project and beneficiary, based on the weight and impact of the factors that caused the irregularity.

If it is not possible to identify and attribute a specific factor to specific beneficiaries, the correction shall be attributed to each beneficiary participating in the project(s) concerned by the correction, in proportion of the EU contribution received.

According to art. 52 of the Regulation (EU) 2021/1059 the Managing Authority shall ensure the recovery of any funding paid as a result of an irregularity.

Any systemic error or any finding of irregular expenditure that are the subject of corrections falling under either category 1) or 2) above, shall be immediately brought to the attention of the Monitoring Committee. Where applicable, the Managing Authority will carry out the investigation on the systemic issue and impact on the Programme, or the identification of the operations and beneficiaries concerned by the irregular expenditure. The MA will also provide an estimation of the amount, and the apportionment of the

responsibilities, if any, to participating countries, or beneficiaries, and propose measures to address the issue

The results of the findings and the proposal for the measures to address the issues and the corrections to be applied, shall be presented to the Monitoring Committee which will consider any issue affecting the Programme and consider the measures to be taken (art.30 (b) of Regulation (EU) 2021/1059). The Monitoring Committee will have two months to convey its opinion to the Managing Authority, with a view to ensuring a fair decision on the nature of the error and on the application of the financial correction.

Based on the results of the consultation with the Monitoring Committee, the Managing Authority will issue repayment orders, to the concerned countries. In case of MPC the procedure will follow the mechanisms stipulated in the financing agreements as per art. 59 of the Interreg Regulation.

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

Reference: Articles 94 and 95 of Regulation (EU) 2021/1060 (CPR)

Table 10: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 94 and 95 CPR	Yes	No
From the adoption, the programme will make use of reimbursement of the Union contribution based on unit costs, lump sums and flat rates under the priority according to Article 94 CPR	<input type="checkbox"/>	<input checked="" type="checkbox"/>
From the adoption, the programme will make use of reimbursement of the Union contribution based on financing not linked to costs according to Article 95 CPR	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Appendix 1

### A. Summary of the main elements

Priority	Fund	Specific objective	Estimated proportion of the total financial allocation within the priority to which the simplified cost option will be applied in %	Type(s) of operation covered		Indicator triggering reimbursement		Unit of measurement for the indicator triggering reimbursement	Type of simplified cost option (standard scale of unit costs, lump sums or flat rates)	Amount (in EUR) or percentage (in case of flat rates) of the simplified cost option
				Code(1)	Description	Code(2)	Description			

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 CPR

(2) This refers to the code of a common indicator, if applicable

Appendix 1

B. Details by type of operation

C. Calculation of the standard scale of unit costs, lump sums or flat rates

1. Source of data used to calculate the standard scale of unit costs, lump sums or flat rates (who produced, collected and recorded the data, where the data is stored, cut-off dates, validation, etc):

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2. Please specify why the proposed method and calculation based on Article 94(2) is relevant to the type of operation:

3. Please specify how the calculations were made, in particular including any assumptions made in terms of quality or quantities. Where relevant, statistical evidence and benchmarks should be used and, if requested, provided in a format that is usable by the Commission:

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4. Please explain how you have ensured that only eligible expenditure was included in the calculation of the standard scale of unit cost, lump sum or flat rate:

5. Assessment of the audit authority or authorities of the calculation methodology and amounts and the arrangements to ensure the verification, quality, collection and storage of data:

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## Appendix 2

### A. Summary of the main elements

Priority	Fund	Specific objective	The amount covered by the financing not linked to costs	Type(s) of operation covered		Conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission	Indicator		Unit of measurement for the conditions to be fulfilled/results to be achieved triggering reimbursement by the Commission	Envisaged type of reimbursement method used to reimburse the beneficiary or beneficiaries
				Code(1)	Description		Code(2)	Description		

(1) This refers to the code for the intervention field dimension in Table 1 of Annex 1 to the CPR and Annex IV to the EMFAF Regulation.

(2) This refers to the code of a common indicator, if applicable.

## B. Details by type of operation

The most innovative and strategic operations are expected to be the youth-led projects to be financed under the first call and the projects to be implemented under the capitalization call. The youth strand aims at putting together organizations led by young people or dealing with young people and to become fully involved in project implementation rather than just as final beneficiaries. This will allow to have new players engaged in the programme with a significant potential for new, innovative ideas being turned into actual projects and results.

In addition, capitalization projects will further enhance and scale up the most important results achieved by Interreg NEXT MED projects and those financed by other programmes and initiatives implemented in the Mediterranean area. Capitalization projects will be the core of the multiprogramme coordination mechanism, enabling NEXT MED to set up a methodology to build concrete synergies with other instruments and stakeholders in order to identify the best results to be included in joint terms of references for the call for capitalization projects. The main objective will be the further development and roll out of tested innovative pilot solutions and reinforced policy recommendations related to the Interreg NEXT MED specific objectives.

For both types of operations of strategic importance described above, particular attention will be devoted to specific communication measures related to the participation of youth-led organizations, and to the promotion of activities to be carried out under the multiprogramme mechanism (including dedicated events, tools and products to disseminate the knowledge generated by the coordination mechanism etc.). Moreover, at least one flagship project with significant results and substantial transnational relevance will be identified for enhanced communication under the guidance of the Monitoring Committee.

The timeline will be consistent with the launching of the first call for proposals including the youth strand and it will end with the dissemination activities of the results of the capitalization projects at end of 2027.

## DOCUMENTS

Document title	Document type	Document date	Local reference	Commission reference	Files	Sent date	Sent by
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