7th MC meeting, 13-14 November 2024, Copenhagen



Proposal on the Ukrainian participation in the third call for small projects

1. Introduction

The interest in expanding cooperation with Ukrainian organisations is steadily growing across the Baltic Sea Region (BSR). Initial collaborations were centred around addressing the impact of the ongoing war, exemplified by the projects <u>KidsLikeUs</u>, <u>BSI 4Women</u>, and <u>Prosper BSR</u> in Interreg Baltic Sea Region, which focused on addressing the refugee crisis and advancing integration efforts. A more recent example is the <u>BSR Cultural Pearls</u> project which strengthens social resilience in smaller towns through cultural activities and, with the Swedish Institute funding, is cooperating with Ukrainian municipalities.

The Programme will continue to support Interreg Baltic Sea Region projects by leveraging existing regional funding instruments to facilitate collaboration with Ukrainian partners. A new call from the Swedish Institute (SI) is expected to be launched in mid-November 2024. The MA/JS, together with the SI Secretariat, is preparing an event for early December to engage with ongoing IBSR projects.

At the same time, connections between the BSR and Ukrainian organisations are further deepening, supported by the EUSBSR coordinators and pan-Baltic organisations like CBSS, UBC, and BSSSC. New topics of mutual interest have expanded to include a range of civil protection, environmental, socio-economic, health objectives, energy security, e-government and critical functions of the public administration.

In the third call for core project applications in Interreg Baltic Sea Region, thirteen applications included Ukrainian organisations from the Kyiv, Lviv, Vinnytsia, Ivano-Frankivsk, Khmelnytskyi, and Kharkiv regions (mostly local authorities and NGOs) as associated organisations. To build on this momentum, the Programme could explore the possibility of involving Ukrainian organisations as project partners in the upcoming small project call, as a follow-up of the discussion by the Monitoring Committee at its June 2024 meeting, to focus on connecting Ukrainian partners within the current Programme period, over the next two years. There are early indications that Ukrainian authorities are also discussing an expression of interest in joining the EU Strategy for the Baltic Sea Region and participating in the future Interreg Programme in the Baltic Sea region post-2027.

2. Proposal for the Third Call for Small Projects: Small-Scale Financing for Ukraine

The MA/JS proposes exploring an option to involve Ukrainian organisations as partners in small projects within the third call for applications, planned for spring 2025. Due to the complexities associated with using ERDF funding outside the EU, including potentially the need for an agreement that clarifies liabilities, roles, and responsibilities, the process of full integration may be lengthy. Therefore, the MA/JS suggests using a small portion of the available IVB buffer funding of the Programme as a pilot initiative. Around







EUR 250,000 could be reserved to involve 10-15 Ukrainian partners in small projects in the third call for applications. Currently, the remaining buffer funding equals about EUR 8.7 million.

Small projects should retain their existing requirements for budget and partnership, or as further decided by the Monitoring Committee (MC) for the third call for small project applications. The proposed involvement of Ukrainian organisations should complement "regular" partnerships, with funding allocated specifically for their participation. A maximum budget of EUR 25,000 per Ukrainian partner organisation over a two-year period could be set. This budget would cover staff and other project-related costs, enabling Ukrainian partners to contribute to project implementation through expertise, training, and knowledge transfer activities, but without taking on a core role.

The present management, control, and monitoring system of the Programme would apply to Ukrainian partners as well. Still, minor modifications of the Programme Manual would be envisaged to incorporate missing elements connected to the involvement of Ukrainian partners, e.g. hourly rate. The MA/JS would handle the verification of staff costs and project-related expenses in-house, ensuring the same standards as applied to all small projects.

The proposal to expand cooperation with Ukrainian organisations through small projects in such a small-scale pilot initiative offers a valuable opportunity to not only strengthen ties between the Baltic Sea region and Ukraine but also test the viability and benefits of more structured cooperation with Ukraine.



