

**IPA ADRION 6<sup>th</sup> Monitoring Committee meeting**  
**25-26 July 2023**

Chamber of Commerce and Industry of Serbia  
 Resavska 13-15, 11000 Belgrade

*Approved Minutes*

*Day 1*

<b>Item 1</b>	<p><b>Verification of presence of all participants attending the meeting</b></p> <p><b>Approval of the draft agenda</b></p> <p><b>Chair:</b> The quorum is reached; all participating countries representatives are attending the meeting; San Marino and North Macedonia are attending it online. The Chair illustrates the topics of the agenda and asks if there are comments. She stresses the need of taking decisions on the topics subject of the meeting and invites all participants to a constructive discussion.</p> <p><b>The Monitoring Committee (MC) approves the proposed agenda.</b></p> <p>(Participants list: see Annex A and B).</p> <p><i>The meeting is open by a video presenting a short overview of the main achievements of ADRION 2014-2020<sup>1</sup>.</i></p>
<b>Item 2</b>	<p><b>ADRION 2014-2020 – state of play of projects and TA</b></p> <p><b>JS:</b> Presents the activities to be implemented to finalize ongoing projects; as far as the 2014-2020 <i>core</i> Technical Assistance (TA) is concerned, she presents an overview with a focus on the financial performance and the FTE staff involved at the MA and JS. Upon request of the MC, a report on the current 2014-2020</p>

<sup>1</sup> <https://www.youtube.com/watch?v=cEI2rgYgxHM>

ADRION financial absorption is provided, including the financial performance of the finalized projects.

(See annex 1).

**SI:** Thanks for the comprehensive information which will help the discussion and approval of decisions.

**AL:** Would like to get more information on the funds absorption per participating country. He explains that this information would provide a special angle to interpret data, as transnational cooperation should transfer know how on how to improve the absorption capacity of non-EU beneficiaries. This is also linked to the increased IPA budget in 2021-2027 and related challenges.

**JS:** Replies that financial information, in accordance with the spirit of transnational cooperation, is provided per priority axis and specific objective, and not per country. If requested by a specific country, it can however be provided. Absorption of funds has always been presented, at programme level, taking into account the two financial envelopes. She also takes the opportunity to remind that during 2014-2020 ADRION programme implementation, the MC approved the shift of funds between ERDF and IPA funds (ref. art. 20 of Regulation 1299/2013) through which it was possible to grant more IPA beneficiaries and ensure project partnerships covering territories from the two sides of the Adriatic Ionian seas basins.

**Chair:** Reminds that the National Contact Points (NCPs) have access to the monitoring system eMS and they retrieve information by themselves. NCPs have a relevant role in ensuring a better absorption of funds in their countries.

**GR:** Asks for the clarification related to *core TA*: out of MEUR 9,5 total budget, 6,9 were already certified, but in 2023 target for *core TA* would be of approximately MEUR 2,5 instead of 1,5 MEUR presented.

**JS:** Explains that 1,5 MEUR refers to expenditure committed this year by MA, JS and AA with regard to 2014-2020 budget. Information on national TA will be provided in the dedicated presentation.

**JS:** Presents the programme projects library and highlights how this tool will allow the search of projects deliverables according to a menu of pre-identified key words.

**HR:** Asks if the library will be present in the new programme website as well, if ADRION 2014-2020 web site will be closed and, in that case, is its data going to be transferred to new website.

**JS:** Confirms that there will be a link on the new IPA ADRION website to the library. Data of 2014-2020 ADRION website will be shifted to the 2021-2027 one; the old website will remain open, and it will include a message to guide users to new one.

**GR:** Asks who was uploading documents and asks if there is any geographical reference or filter to see where projects were implemented.

**JS:** The upload and selection of documents was done by the JS. The library does not envisage any geographical reference, as the outputs are transnational. Only pilot actions have locations.

**IT:** Observes that library is a very important tool that contributes to the capitalization.

	<p><b>The MC:</b></p> <ul style="list-style-type: none"> <li>• <b>Acknowledges the presentation about the use of core TA 2014-2020.</b></li> <li>• <b>Acknowledges the presented spending capacity of granted projects state of play and the financial performance of already finalized projects.</b></li> </ul>
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<p><b>Item 3</b></p>	<p><b>Priority Axis 4 – Call for ISO 1 strategic projects</b></p> <p><b>Chair:</b> Informs that, as during the last MC a long discussion already took place, she is confident that an agreement will be reached, and asks the representatives of projects 1, 2 and 3 to present the conclusions of the meeting held on 14 July 2023.</p> <p><b>HR:</b> Reports that the meeting was quite productive, and the LPs found common points on majority of the discussed issues. Overlappings were identified and discussed, and solutions to eliminate them were found. The project 2 LP addressed the questions raised by the EUSAIR Governing Board.</p> <p><b>IT:</b> Confirms all what was reported by the Croatian representatives and is of the opinion that the LPs are ready to start drafting their application forms in line with the programme requirements as soon as budget devoted to the strategic projects is approved.</p> <p><b>Chair:</b> Asks Slovenia to illustrate her proposal that was sent in writing on 11 July 2023.</p> <p><b>SI:</b> The starting point was the insufficient Priority Axis 4 budget to support the 3 strategic projects and the need of identifying a solution taking benefit from the proposals that are on the table: the one of the Greek delegation presented during the last EUSAIR Governing Board, the one proposed by the EC and the one of Italy. The Slovenian proposal envisages 2 phases, the first one characterised by a project duration of 4 years. This time span was chosen to be in line with mid-term evaluation foreseen in the Appendix 3 of the programming document. Another important point is that eligibility of expenditure would start on the day of opening the call under the expression of interest, which has been envisaged to be on 1 September 2023 to ensure smooth transition between the current and new support to EUSAIR Governing Board. The proposal also takes into account the EC remark according to which it would not be correct that the support to EUSAIR is more expensive than the one envisaged for the EUSDR strategy. While acknowledging EUSAIR's complexity, the three projects agreed to decrease their budget. The EC also pointed out that there will be no additional funds to support the three strategic projects. Slovenia thinks that additional funds are however necessary and proposes to use leftovers from first call projects. As far as the proposed university masters are concerned, the proposal refers to dedicated ones aimed at boosting capacity building and contributing to provide stronger professional skills on governance. Enlargement topics are proposed to be included in all the three strategic projects. In relation to the above, the provisional proposed budget would be: MEUR 7,2 for project 1; MEUR 1,68 for project 2 and MEUR 1,60 for project 3. Slovenia confirms that the considerations expressed by the MA in its response under points a), b) and c) are undoubtedly to be observed.</p>
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	<p><b>EC:</b> Welcomes the compromise and informs that the EC discussed both the proposal and the reply prepared by the MA, whose considerations listed under points a), b) and c) must be respected<sup>2</sup>.</p> <p><b>Chair:</b> Opens the floor for discussion, highlighting the technical considerations provided by MA.</p> <p><b>IT:</b> Points out that the rationale behind the proposal to grant university masters is not clear, as a relevant financial amount has been already devoted to this type of activity under Priority Axis 1. Italy does not recall any request of the EUSAIR Thematic Steering Groups or EUSAIR Governing Board for additional masters, and, therefore, does not find them necessary. She reminds that the budget dedicated to EUSDR for the governance support is higher than the one available to EUSAIR as shown by the coordinator of the FP in the 5° IPA ADRION MC.</p> <p>The subdivision of the budget proposed by Slovenia cannot be accepted by Italy. A new proposal is presented that is based on the EC and Slovenian proposals: take the EC's proposal for budget division among the three projects, but with a duration of four years rather than six years. The ISO 1 budget is proposed to be divided as follows: 7,21 million euros for Project 1; 2,23 million euros for Project 2; and 2 million euros for Project 3.</p> <p><b>HR:</b> Observes that EUSDR and EUSAIR strategies should not be compared as they are completely different. Slovenian delegation has always insisted on using the whole allocation of funds for the benefit of the three strategic projects: its last proposal to devote some resources to grant university masters cannot, therefore, be accepted. He supports the EC proposals from the financial point of view. Slovenian proposal would be a good starting point, but it should consider that all Priority Axis 4 resources are to be allocated to the strategic projects.</p> <p><b>Chair:</b> Considers the support to university masters a risky proposal and does not see a clear link with what is included in the programme document.</p> <p><b>MA:</b> Informs that the total budget of Priority Axis 4 is of MEUR 11,69 MEUR (Interreg + national contribution).</p>
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- a. Programme financial performance targets should be considered (decommitment risk).
- b. Resources should also consider the respect of Regulatory obligations (i.e.: the achievement of an overall target of 30 % of the Union budget expenditure supporting climate objectives - ref. to recital 10, 11 and art. 6.1 CPR): when discussing the redistribution of resources it should be ensured that the programme is able to reach the aforementioned targets - through the allocation of resources to those fields of intervention that feed these regulatory targets. For example, if the project leftovers concern specifically the environmental targets, the liberated funds, if given to ISO1, would no longer contribute to reach the environmental targets. In 2026, the MA/JS will prepare an analysis with the updated numbers for the consideration of the MC.
- c. The quantification of output and result indicators per specific objective (programme performance), as reported in the accompanying document devoted to the performance framework, should be carefully assessed due to the following reasons:
  - Performance indicators targets are measured according to Specific Objectives, and priority axes 1 and 2 envisage more than 1 Specific Objective. The reduction of resources attributed to each Specific Objective may impact the number of indicators achieved.
  - Following the decision of the 2nd MC meeting to increase the maximum budget of standard projects for the first call and considering that indicators have been quantified based on the number of projects to be granted, if the maximum project budget is increased, less projects will be granted and less outputs will be achieved.

**SI:** Replies that her compromise proposal took into account the different elements highlighted during the discussion and refuses the Italian proposal which has been shared in the form of a PowerPoint presentation with everybody only at the MC meeting.

**AL:** He is in favour of the Italian proposal because it gives more opportunities to the IPA participating countries.

**BiH** Is of the opinion that more clarifications regarding the options and their feasibility would be necessary; she is in favour of the Italian proposal.

**GR:** He highlights that the scenario envisaging an overall budget of MEUR 15-17 for the three projects with a duration of 6 years cannot be taken into consideration as it has not been approved by the Programme, as it is not foreseen in priority 4 (MEUR 12,8) in the approved programme. Moreover, implementing projects is a dynamic process therefore minimum thresholds have to be defined and during the mid-term evaluation decisions will be taken. Slovenian proposal is the most consolidated compromised solution to start building the three strategic projects.

**MN:** Considers the Slovenian proposal pragmatic and fair.

**Chair:** Is in favour of the Italian proposal because there is a huge demand regarding project development, which is a task to be implemented by project 3; the MC should ensure that these projects ideas could be defined and their preparation granted.

**SM:** Does not have a clear position on this item as San Marino does not benefit from the Programme funds.

**HR:** Having regard to the above, it suggests the following counterproposal characterised by the following elements:

- a) Use the difference amount between the initial SI proposal and the one suggested by the EC;
- b) Distribute this amount between project 2 and 3 equally;
- c) Increase project budget 1 with the amount resulting by deducting from the overall Priority Axis 4 the amount initially proposed by EC.

The budget of the three projects would be (Interreg + national contribution):

- Project 1: MEUR 7,455;
- Project 2: MEUR 2,16
- Project 3: MEUR 2,08.

**JS:** From a technical perspective, a limited additional prolongation of the 2014-2020 Facility Point could be taken into consideration, upon condition that the dates reported in the last version of the subsidy contract regarding the submission of the last project reports (scheduled end of October and November 2023) are respected, irrespective from the additional project prolongation of duration.

**The MC decides:**

- **As far as Facility Point 2014-2020 is concerned, a further prolongation of activities until end of October 2023 is granted in accordance with the**

	<p>standard procedure, upon condition that the scheduled report related to activities to be finalized within August 2023 will be sent in accordance with the deadline set in the current subsidy contract. The approval of the prolongation of the project duration shall be done through urgent written procedure.</p> <ul style="list-style-type: none"> <li>• As far as the three 2021-2027 strategic projects supporting EUSAIR are concerned, a precondition for the further implementation of the MC decision will be that Project 1 and Project 2 lead partners will ensure that no overlapping is present in their work plans. The outcomes of this exercise will be annexed to the draft minutes of the 6th MC meeting by 4 August 2023 at the latest. The outcomes of the agreement between Project 1 and Project 2 shall not affect the budget distribution reported in the point below.</li> <li>• The approved maximum total budget (Interreg + national contribution) for the three projects will be (in MEUR): <ul style="list-style-type: none"> <li>○ P1: 7,455</li> <li>○ P2: 2,16</li> <li>○ P3: 2,08</li> </ul> </li> <li>• Finalization of application package ISO1 will be approved through urgent written procedure.</li> <li>• Time schedule for the ISO1 projects will be: <ul style="list-style-type: none"> <li>○ Written Procedure: approval of the application package (expected to be launched on 28 July 2023)</li> <li>○ Written Procedure: Submission of the request by 2014-2020 Lead Partner Facility Point regarding the project duration prolongation. Launch of the urgent written procedure by 4 August 2023.</li> <li>○ 1-30 September 2023: official launch and closure of the expression of interest and application package to the 3 strategic projects lead partners.</li> <li>○ October 2023 (indicative): finalization of the assessment process and submission of assessment outcomes to IPA ADRION MC.</li> <li>○ November 2023: IPA ADRION MC for approval (either in person or online).</li> <li>○ December 2023: submission of the grant contract after partnership agreement signature, payment of the advance grant.</li> <li>○ September-October 2023: submission of draft Implementation Manual for approval (written procedure).</li> </ul> </li> </ul>
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End of Day one: h: 17:00 CEST time

Day 2

<b>Item 4</b>	<p><b>Core Technical Assistance</b></p> <p><b>MA:</b> Presents the provisional 2021-2027 <i>core</i> TA budget and forecast activities presented per budget lines and yearly forecast. He also presents a request</p>
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raised by the Audit Authority related to the audit of operations; he informs that the State General Accounting Department of the Italian Ministry of Economy and Finance launched a tender procedure and signed a framework contract for audits that will cover only Italian beneficiaries. This contract does not foresee any activity outside the Italian territory. As 2021-2027 CPR envisages that audit of operations will be based on a common INTERREG sample at EU level, it is therefore not possible to predict in which countries the audit will take place. Therefore, the MA is asking the MC for a mandate to elaborate a proposal that will use *core* TA budget and to present it to the MC after the summer break (see annex 2).

**SI:** Thanks for the submitted comprehensive document even though she still believes that the provisional budget for JEMS is extremely high and would like to get additional clarifications. Slovenia can agree on the current *core* TA budget but not on the proposal related to the audit activities, as she has to consult with the Group of Auditors member first.

**RS:** Agrees that the presented proposal related to audit is too vague and more information is necessary. *Core* TA is accepted under condition that it will be revised once the agreement on audit of operations is reached.

**SI:** Is not willing to approve *core* and national TA separately, as there could be the possibility that the costs for audit will have to be covered by national TA.

**HR:** Asks which audit costs will be paid by *core* TA.

**MA:** The costs depend on the size of the sample; moreover, it is not currently known in which participating country the checks will take place. Costs for travel and accommodation will be covered. He therefore proposes to overbudget the current audit costs.

**SI:** Points out that overbudgeting is not in line with the prudent approach presented, and that Slovenia supports. She asks what happens in case the share of *core* TA is lower than expected; this is also important in relation to the signed agreements.

**MA:** In case, following the mid-term review the *core* TA results lower, Emilia-Romagna region will cover the costs from its own funds that will not be reimbursed. If the amount is higher, it will be made available to the Programme and the budget will be modified accordingly.

**HR:** Agrees to approve the *core* TA if the additional sentence related to audit costs covered by *core* TA is included.

**SI:** Asks for clarifications regarding the coordination with IGRUE and other MAs that was mentioned in the document section related to the use of JEMS; it is not clear why the other Italian MAs should benefit from this special treatment and suggests using the word *evaluation* instead of *assessment*. She also asks under which budget line costs for the organization of MC events will be charged. Finally, she also asks why the Italian government has decided to deposit programme funds in non-accrued interests bank account as they could be used for over-commitment.

**MA:** Explains that data track in the Italian system differs than in JEMS. The goal is to set up a system able to feed the Italian one with effective data and reduce potential errors. Coordination with the other Italian MAs is an obligation of the JEMS officer when attending meetings at national level. Costs for the organization of meetings and events are under the budget line events and

communication materials. As for the Italian non-accrued interests bank account, it is not possible to change this option adopted at national level.

**HR:** Appreciates the time devoted for the preparation of documents. He observes that costs reported under the budget line *travel and accommodation* do not correspond to the final budget figure. During the last 2014-2020 ADRION MC meeting, MA informed that the Business Intelligence tool would be compatible with eMS and JEMS; now the document reports that, as the two programme databases are different, also the BI tool needs to be revised accordingly. He expresses some disappointment with this approach and asks how much it was spent for the BI tool in the 2014-2020 programme. With regard to the programme web site, he asks if EUR 75.000,- are for the development of its main part and the additional EUR 50.000,- for sub webpages managed by projects, and to justify this latter amount.

**MA:** In 2022 EUR 47.000,- were used to cover costs related to JEMS. In 2023 there are two different contracts, one mainly covering the fees for maintenance of the system amounting to EUR 151.000,- until September 2023, and another covering other interventions on JEMS. Currently another public procurement procedure of additional EUR 150.000,- to cover fees for last three months of 2023 is envisaged; it also includes the integration of JEMS with the regional electronic archive. The BI tool was thought to be compatible, but as JEMS is different from eMS, its upgrade is necessary.

**JS:** As far as the web site and the shares of costs between its main section and those related to the projects is concerned, it is correct that the latter will be based on the structure of the existing ones; envisaged costs are necessary to ensure all project websites. Costs also includes help desk for beneficiaries, as they will be in charge of feeding their dedicated web pages, and 22% VAT.

**GR:** With regard to the budget line devoted to IT services and maintenance of 1,28 MEUR, asks if Emilia-Romagna region has already initiated the public procurement procedure and if the programme is going to pay the whole amount or only of those expenditure related to the programme's needs. Another clarification refers to the "on demand" plafond that is for the services that may be additionally asked, and asks for confirmation whether the understanding according to which 50% of the envisaged costs are related to services that not necessarily will be used is confirmed.

**MA:** The regional framework contract is for an amount which is higher than the needs of the programme. In the *core* TA budget, only the costs related to the programme are included. As for on demand plafond, if not used, the amount will be used for other programme needs.

**Chair:** Asks if the countries are approving the *core* TA budget with the exception of costs for audits that will be additionally presented and paid out of the *core* TA budget. She invites JS to present activities planned for 2023.

**JS:** Presents plan of activities for year 2023; activities include those related to the 2014-2020 and 2021-2027 programming periods. The former ones are mainly related to the monitoring of the still ongoing projects, whereas the latter refer to the setting in place of the new programme structure and to the assessment of the first call received applications (see annex 3).

**Chair:** Points out that the JS presentation is only for information and not for adoption, as it is part of the TA description.

	<p><b>EC:</b> As far as the signature of the financing agreements with IPA participating countries is concerned, she informs that there are undergoing procedures at the EC and hopes that today they will be at the table of the Director General.</p> <p><b>SI:</b> National controllers would like to discuss some topics with a meeting in person. As far as quality checks performed by the MA and mentioned in the 2023 work plan are concerned, she asks whether national controllers are informed on the identified sample in advance; in case some corrections are necessary, they would prefer being informed by MA/JS and not by beneficiaries. MA quality checks are carried out on the basis of the reporting period, however controllers believe that it is not the most representative data as it will not be possible to see integrations asked by controllers. Slovenian controllers also informed that they disagree with the JS practice to reopen the reports on eMS without informing the controllers.</p> <p>With regard to the revision of the FLC Manual, she asks for clarifications on what changed. Finally, she informs that controllers would appreciate receiving the full version of the audit report instead of a small abstract in order to ensure a proper understanding of the issues and recommendations. As MC member, she also would like to receive it or at least a presentation of the findings.</p> <p><b>MA:</b> Confirms that controllers have always been informed after the checks were done. These checks do not duplicate audit checks. MA will put an effort to create a network and address all these issues. He proposes to send summary of system audits and the full report on audit of operations.</p> <p><b>JS:</b> Informs that, with regard to the last update of the Manual for controllers, it included the requests raised by the Audit Authority to formally include in the document all decisions on simplifications adopted during the health emergency and duly spread at that time to controllers. Such a request was communicated to the MC on occasion of the 17<sup>th</sup> ADRION MC meeting held in Bologna on 21 December 2022 and an urgent written procedure was launched accordingly to allow the Audit Authority to send its report to the EC.</p> <p><b>The MC:</b></p> <ul style="list-style-type: none"> <li>• <b>Approves the 2021-2027 core Technical Assistance budget upon conditions that small mistakes detected in the documents are corrected.</b></li> <li>• <b>Asks MA/JS to strengthen the exchange of information with national controllers.</b></li> </ul>
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<p><b>Items 5-6</b></p>	<p><b>National Technical Assistance</b></p> <p><b>Next steps on TA granting, implementation and monitoring</b></p> <p><b>MA:</b> Provides information on the calculation method used for the definition of the participating countries national TA budget and informs that Albania sent its budget breakdown the week before, but it was not included in the proposal presented by the MA, as it is not possible to further decrease <i>core</i> TA budget (see annex 4).</p> <p><b>MN:</b> Informs that sometimes JS should be more pressing with NCPs to avoid situations as in the previous programming period, where some countries did not spend the budget they had available. He proposes to draft a TA Manual with simple reporting rules, as the situation has changed compared to 2014-</p>
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2020, and to clarify if the signature of a contract is required. It is important to have one person in the JS that will perform this task of coordination and monitoring. The TA manual should also foresee the possibility of shifting unspent resources between participating countries, if necessary. It is also important to establish if the expenditure incurred in 2023 is eligible for new *national* TA or not. Another question is when the national contribution shall be transferred.

**AL:** Is aware that in the previous programme the use of *national* TA by Albania was rather low; for the purpose of better managing the EU technical assistance, a new structure was set up in 2022. The sent proposal was based on what it has been foreseen to support it, as for example national controllers. She is open to discuss which activities should not be charged to IPA ADRION *national* TA to reduce the financial request.

**Chair:** Reminds that along with the coordination process on the preparation of the proposal for the new national TA budget, Albania was also attending, and it informed that no additional staff would be needed. She also added that the calculation method used for the definition of *national* TA budgets for IPA participating countries was the same.

**MA:** Informs that Albania would require EUR 740.000 for its *national* TA budget.

**Chair:** All IPA participating countries support expenses for the verification of expenditure; however, they agree that TA budget should be used primarily for supporting the JS and its activities. She asks the MC members about their position in relation to budget proposed by Albania.

**BiH:** Agrees with Chair's observation and thinks that it is not possible at this moment to agree with the proposed budget.

**HR:** Reminds of TA 2014-2020 TA financial absorption rate and would, therefore, support a compromise proposal, if possible.

**GR:** Would like to focus the discussion on the fact that the national TA budget of Slovenia, Croatia and Greece is characterised by a decrease of around 2 percentage units, whereas, there is an increase of around 88% of the Italian budget amount. He would like the MA to elaborate on the methodology and the population criterion that was used for the funds allocation. For the budget proposed by Albania, the amount seems very high and received information is not enough to adopt a decision.

**IT:** Shares position of the other colleagues and reminds that a mid-term review can be used as a basis for revision of budget at a later stage.

**MN:** Finds the proposal of Albania not acceptable although he understands its decision on the reorganisation of national controllers. He agrees with Italy on the mid-term review and revisions.

**SI:** Shares the views of all MC members. Currently it is possible to accept MA proposal only. She also agrees that mid-term review can be a basis for redistribution of funds.

**Chair:** Explains that IPA participating countries used the population principle to quantify part of the budget which is in addition to the fixed one common for all IPA countries.

	<p><b>MA:</b> Believes that mid-term review will help to stay on track and react on unexpected events.</p> <p><b>AL:</b> Clarifies that in 2014-2020 period the staff was not funded through the national TA and other two Interreg programmes allow the support of national controllers' staff.</p> <p><b>Chair:</b> Observes that this happens, in general, in bilateral Interreg programmes, where both participating countries have amounts dedicated to support a certain number of controllers; this would not be feasible in a transnational programme.</p> <p><b>MA:</b> As far as the Greek requests regarding the Italian national TA budget is concerned, he explains that the proposal on TA budget was done following recommendation of the programme independent evaluation to the extent it was possible. Cost of living and number of beneficiaries were not taken into account, as these criteria would have penalized small-sized participating countries. Only the inhabitants criterion was therefore used; beyond a fixed amount common to all participating countries a further one was added based on the number of inhabitants. Greek inhabitants are 1/3 of the Italian ones living in the regions and provinces involved in the programme.</p> <p><b>SI:</b> Would appreciate having this explanation also in the rational of the document. She does not oppose to the decision, but it is necessary to include the proposed methodology for the sake of transparency and audit trail.</p> <p><b>HR:</b> Reminds that Croatia would like to propose the reallocation of remaining national TA budget for 2014-2020 period, as Slovenia and Croatia spent their entire share of budget; the same approach was used in other transnational programmes and asks if it is possible to do this in this programme.</p> <p><b>MA:</b> Explains that it is not possible to shift budget from IPA to ERDF beneficiaries. As Emilia-Romagna Region will not be able to spend EUR 140.000 ERDF and EUR 18.000 IPA funds, these amounts could be transferred to NCPs; the deadline to spend these funds is 31 December 2023.</p> <p><b>Chair:</b> Informs that IPA countries apart from Albania will spend the whole budget.</p> <p><b>HR:</b> Asked what next steps are necessary to formalize the transfer of funds.</p> <p><b>MA:</b> As it will be necessary to launch a written procedure, he proposes to ask all MC members to express their interest by a certain deadline.</p> <p><b>Chair:</b> Proposes that all countries send their work plans by 15 August 2023 and, based on them, the MA will inform which countries need additional funds and prepare a proposal for redistribution.</p> <p><b>MA:</b> Presents the next steps and calendar on implementation and monitoring of the national TA (see Annex 5).</p> <p><b>MN:</b> Asks whether a contract ruling the use of TA funds is envisaged and if prefinancing for the national TA is foreseen.</p> <p><b>MA:</b> replies that the need of signing bilateral contracts regarding national TA is still to be defined; all this information will be delivered by the end of October 2023.</p>
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	<p><b>IT:</b> Suggests that the focus of the verifications should be shifted from the financial absorption to the analysis of the outcomes produced by the resources used.</p> <p><b>The MC:</b></p> <ul style="list-style-type: none"><li>• <b>Approves the 2021-2027 national Technical Assistance budget. MA shall include in the Technical Assistance Report on budget breakdown the methodology used for attributing national TA budget share.</b></li><li>• <b>Welcomes the MA offer to shift its remaining available 2014-2020 TA budget to the ERDF/IPA participating countries (EUR 120.000,- ERDF and EUR 18.000 IPA II). Participating countries interested in using MA non-used TA budget are invited to express the MA their interest by 15 August 2023 by updating the work plan sent in June 2023.</b></li><li>• <b>Approves the MA proposal regarding the next steps on 2021-2027 national TA granting, implementation and monitoring.</b></li><li>• <b>Decides that the draft minutes shall be sent to the MC by 4 August 2023 at the latest.</b></li></ul>
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*End of Day two: h: 16:00 CEST time*