



Memorandum

Ref: INTERREG IVA - Note on expenditure outside the eligible area

1. The issue of expenditure outside the eligible area is governed by EU Regulations (1080/2006: Article 21). The Operational Programme clarifies and details the interpretation of this regulatory requirement within the specific context of the Programme (Paragraphs 2.1 to 2.5 of the Operational Programme).
2. Decisions regarding eligibility must be taken within this regulatory context. Neither the Managing Authority nor the JTS have the authority to make decisions at variance with the regulations and the Operational Programme.
3. The Managing Authority operates under the assumption that the cross border groups are familiar with the regulatory environment of the Programme, and that they have provided guidance to their members accordingly.
4. The eligible area of the Interreg Programme is defined in Paragraph 2.1 of the Operational Programme. It is based on the following NUTS III areas:

Northern Ireland: North of Northern Ireland; east of Northern Ireland; West and South of Northern Ireland ;

Ireland: consisting of the six necklace counties along the border with Northern Ireland, i.e., Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo. This area covers the same boundaries as the Border Regional Authority;

Scotland: Lochaber, Skye and Lochalsh, Arran & Cumbrae and Argyll & Bute, Dumfries and Galloway, and East Ayrshire and North Ayrshire mainland, and South Ayrshire.
5. Article 21 (1) for regulation 1080/2006 states that in the context of cross –border co-operation and in duly justified cases the Programme may finance expenditure incurred in implementing operations or parts of operations in NUTS III areas adjacent to the eligible area i.e. adjacent to those areas outlined in paragraph 4 above. Such funding is restricted



to 20% of the Programme.

6. Paragraph 2.3 of the Operational Programme identifies that for programme purposes the adjoining eligible areas are Northern Ireland (Belfast and Outer Belfast) and Eilean Siar (Western Isles). These areas were identified and agreed with the Member States for special mention in the Operational Programme, given their significance to the core eligible area.
7. Paragraph 2.4 of the Operational Programme gives the opportunity for project activity outside these areas, if the project would have difficulty in achieving its objectives without the partner's participation.
8. In the interests of clarity, any applicant requesting that eligible activity outside core eligible area be included must state the rationale for inclusion of such activity in their application including the following:
 - 1) Detail the activity being proposed to take place outside the eligible area and the associated costs.
 - 2) Explain why the project would have difficulty being implemented without the inclusion of this activity.
 - 3) Explain the impact this activity will have on the core eligible area.

These questions must be addressed within the context of the specific activity being proposed. General or generic answers are unlikely to adequately address the questions and may result in a recommendation that the activities are not included in the project.

9. The JTS will robustly consider the responses to the questions in paragraph 8. If the JTS recommends funding, specific mention of activity outside the eligible area should be brought to the attention of the Steering Committee. In making a recommendation to the Steering Committee, the JTS will ensure that the 20% Programme total is not breached.
10. The approved expenditure outside the eligible area will be reported to the Managing Authority in accordance with internal SEUPB procedures.



As stated in Paragraph 2.5 of the Operational Programme the opportunities for participation of the adjoining areas will be necessarily limited. There should be no assumption that such expenditure will be approved unless the questions in paragraph 8 are addressed fully.

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