The 2014-2020 Interreg Programme Management Handbook is composed of fact sheets. Each theme is covered by one fact sheet so that the reader can easily and quickly choose the relevant fact sheet.

Fact Sheet; Project Selection Process[1]

1. What is it? What is the definition of the term / theme of this fact sheet?

The aim of the selection process is to select projects which contribute most to the achievement of programme objectives. It begins with the received project applications and finishes with the selection of the projects. There are four phases within the selection process: (1) call for proposals with received project proposals; (2) assessment process divided in three steps - (a) administrative check, (b) eligibility check, and (c) quality assessment; (3) selection procedure followed by a vote from the Monitoring/Steering Committee; (4) contracting of selected projects.

2. Why we are discussing it?

The selection process is a crucial part of the programme life cycle, because at this stage programmes select projects on which the programme performance will depend. The programme needs to determine to what extent each project will contribute to the achievement of programme objectives and if the partnership is able to implement the project with the given resources.

Due to the nature of Interreg programmes, several agreements regarding the selection process need to be negotiated already at the programming stage and before the first call for proposals opens. One of the main differences in the selection process as compared to the previous programming period is to what extent the selected projects contribute to the achievement of the output and result indicators, to make sure that in the end it will be possible either to aggregate some of them at programme level or to develop a qualitative appraisal, in order to measure the overall performance of the programme.

3. Reference to the regulations and what is new in the 2014-2020 programming period compared with the 2007-2013 programming period

ETC Regulation 1299/2013 article 12 describes the selection of operations in the cooperation programmes. It is stated in article 12 (1) that operations under cooperation programmes shall be selected by a **monitoring committee,** which in turn may set up a **steering committee** that acts under its responsibility for the selection of operations.

Functions of the **managing authority** as regards the selection of operations are set up in the CPR Regulation article 125 (3).

According to ETC 23 (2), the **joint secretariat** shall assist the managing authority and the monitoring committee in carrying out their respective functions, which also means assessing projects if so agreed in the programme.

Programmes shall include guiding principles for the selection of projects already in the cooperation programme under each priority axis (ETC article 8 (b) (iii)).

It has been made possible that "*an EGTC or other legal body established under the laws of one of the participating countries may be the* **sole beneficiary** *of an operation provided that it is set up by public authorities or bodies from at least two participating countries, in the case of cross-border and transnational cooperation, and from at least three participating countries, in the case of interregional cooperation*" (ETC 11 (3)).

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[1] This fact sheet has been prepared in cooperation with EC, DG Regio.

Legislative framework:
  ➢ ETC Regulation (EU) No 1299/2013 articles 8, 11, 12, 23
  ➢ CPR Regulation (EU) No 1303/2013 article 125

4. Challenges and frequently asked questions

When establishing the project selection procedure all programmes need to agree on the following:
  · How to organise calls for proposals effectively?
  · How to organise a simple, quick and effective assessment procedure?
  · Which assessment criteria to use to be able to select the most relevant projects for the programme?
  · Who should be assessing projects?
  · How the final decision will be reached and what it should be based on?
  · Which selection decisions to use?

The answers to these questions, accompanied with recommendations (where possible), can be found in the next chapter.

5. How does it work in practise?

I. CALLS FOR PROPOSALS AND APPLICATION PROCEDURE

I.I Types of calls for proposals

Types of calls of proposals based on focus

Open calls - Open calls are calls for proposals where projects can apply for all programme priorities where funds are still available.

Targeted calls - Targeted calls can be used during the whole lifespan of the programme, and are often used towards the end of a programme's lifetime when in certain programme priorities the envisaged values have not yet been reached, or when a specific topic needs addressing. They can also be used when the available budget is limited, as targeting helps limit the number of applications (thus saving resources). Calls can be limited to a specific priority axis, budget, and certain type of organisations or project topics. In general, the decision to launch targeted calls should result from a well-informed and well-argumented debate within the Monitoring/Steering Committee which demonstrates the need for such a call.

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Calls for strategic projects – Calls for strategic projects are often defined from the beginning within a programme's Cooperation Programme, and sometimes by the MC/SC during the programme implementation. They focus on a specific initiative which has derived from the needs of a thorough programme analysis. They tend to be based upon a set of highly-detailed criteria, which need to be met by a project designed explicitly for this purpose (e.g., building a bridge between x and y cities over the river z).

Small project fund - Small project fund is a certain amount of funds (often implemented in the form of an umbrella project or mini programme) available in the programme for which smaller projects can apply. Each programme has different rules as to what "small" means, but in most cases it refers to projects which are smaller in size, required resources and impact. The programme opens a special call for proposals specifically for this fund, or it can be attached to a regular call for proposals.

Types of calls of proposals based on duration of the submission phase

Ongoing calls - Ongoing calls are calls which don't have any deadline for submission. Projects can submit their proposal any time. Programmes decide either in advance when the projects will be assessed (e.g., once a year), or they wait until a sufficient number of projects is available for assessment before they start the assessment procedure.

Restricted calls - Restricted calls have a set deadline for submission. If needed, programmes have the possibility of adjusting the selection criteria for each call. However, the drawback is that the call cycle does not necessarily coincide with the project maturity cycle, and projects which are ready for submission might need to wait for the next call to open.

I.II Application procedure

In most programmes a one-step application procedure is used. This means that all project proposals received are assessed to the full extent, provided they are compliant with the programme rules (Administrative and Eligibility Check).

In the 2014-2020 period more programmes are considering a two-step application procedure. This is mostly used in programmes where a substantial number of project proposals are expected, and where the programme has the possibility of helping applicants develop their project proposal.

It has the following **advantages**:

• less time and technical assistance resources are needed, as not all projects are assessed in-depth during the first phase;
• easier time management;
• time and costs saved at applicant level;
• possible coaching from the development of the project idea to its full proposal (if only a limited number of proposals are invited to submit the full project proposal);
• there is a lowered risk of investing extensive efforts in assessing many low-quality proposals;
• the possibility of a seed money facility for the preselected projects might be considered.

How does it work in practice?

In the first step, the applicants must submit a simplified project proposal, often called an Expression of Interest (EoI) or Concept Note (CN). The programmes usually ask for a description of project objectives, foreseen results and outputs, a general description of the work plan, an estimated overall budget and the structure of the partnership.

The pre-selected projects are then invited to apply using the second step, submitting the full application. The project data from the **Expression of Interest** can be changed only to a certain extent (e.g., the budget can increase up to 20 %, or only two partners can be changed) and is binding in some parts (e.g., project objectives, proposed results).
Please note that pre-assessment of projects based on a **Concept Note**, which is offered to projects by some programmes, is only optional and the decision is not binding, therefore, the project can still be submitted.

Project assessment is much shorter in the first step as only some parts of the quality assessment are applied, due to the shorter project description. Formal requirements and partner eligibility are not checked, to avoid a higher workload at the national level. The assessment in the first step focuses more on the content of the project, namely its objectives and results, whereas in the second step all assessment criteria are applied when assessing the detailed project proposal. Although projects pass the first step they may not be successful at the second step. In both steps, the final decision is made by the Monitoring/Steering Committee.

II. ASSESSMENT PROCESS

Assessing projects is an important step in the selection process as it assures transparency and accountability in spending EU funds. By establishing and publishing assessment criteria, the quality standards against which projects are assessed are set. They are needed to secure quality of programme implementation and to guide applicants towards considering important issues before applying.

II.I Assessment steps and criteria

The assessment process begins as soon as the call for proposals closes (if the call is not on-going), when all project applications have been submitted. First, the programme checks the admissibility and eligibility of projects, and only then will the quality assessment start when core assessment criteria are applied.

In some programmes, **admissibility and eligibility** of projects are checked at the same time. The check is based on questions which can be answered with "yes," "no" or "not relevant for particular project". A "no" answer can lead to (1) outright rejection of the application, or (2) request for further information or clarification. Negative outcomes could be avoided if and when the project carefully reads the programme requirements published in the call for proposals and other programme documents, and by contacting the programme secretariat when in doubt.

The last step, **quality assessment**, implies in-depth assessment of the project. Various conclusions regarding the quality of the project can already be drawn based on the eligibility check (e.g., partnership spread, intensity of cooperation, relevance of the selected theme and outputs). Nevertheless, the quality of the project is assessed from different perspectives at this stage. How does one assess projects to ensure quality? In general, quality is subjective – it is a matter of perception and individual judgement. It is necessary to ensure that project quality requirements are collectively understood and supported by all relevant programme bodies. However, will a well-written application always result in a good quality project?

INTERACT, together with Interreg programmes, has developed **harmonised assessment templates** which include assessment questions and guiding principles for all three assessment steps. Together with a harmonised application form the assessment questions address the need to fund projects that contribute to the change sought by the programme to the greatest extent possible.

II.II Assessment methodology

Assessors

Every project is assessed by at least two assessors. These can be selected from joint secretariat staff, managing authority, consultants with specific sectoral knowledge, university professors, other ministry staff, regional bodies, steering committee members, etc. Only the Joint Secretariat staff are considered internal assessors. If possible, especially in the case of cross-border cooperation, each side of the border should be represented in the group of assessors.

If the programme lacks resources and/or expertise for internal assessment of projects, they can involve external assessors. It is recommended that one of the two assessors should be external and the other a member of Joint Secretariat, as this results in better representation of programme and transnational/cross border aspects during assessment. An external expert could also be used as an additional assessor in cases where specific knowledge is needed (thematic or horizontal issues experts). Where a third assessor is needed because of significant differences in the first set of scores, an internal assessor should be selected to assess the project, as they have a better understanding of what is needed to achieve programme objectives.

The following table lists advantages and disadvantages of selecting internal and external assessors.

Table: Advantages and disadvantages of internal and external assessors

	Internal assessors	External assessors
ADVANTAGES	• Involved in identifying programme priorities/objectives. • Know the programme well. • Have a better understanding of the specificity of cooperation programmes. • Experienced with regard to what does/doesn't work. • Knowledge of what is there (projects, results). • Can detect early warning signs. • Commitment.	• Have the necessary professional background. • Possess specialised knowledge. • A fresh look at the issues. • Are independent from both the applicants and the MC/SC/MA/JS. • Remain anonymous to the applicants.
DISADVANTAGES	• Are not impartial. • Lack of sectoral experience. • Potential high staff turnover. • Inexperienced new staff assessing projects. • Capacity (in the event that too many applications are received).	• Often no in-depth knowledge about the programme. • Lack of knowledge on Territorial Cooperation. • They don't have to "live" with the consequences of their recommendations. • Tend to focus on their field, leaving some aspects of the quality assessment aside. • Are possibly not as committed to assessment as the Joint Secretariat. • Costs.

When using external assessors, the programme might consider:
• inviting them to programme meetings about specific programme themes where sub-themes, interpretations and priorities related to the theme are discussed together with project officers;
• arranging regular briefings between external assessors and programme staff;
• using the same external experts (more than one per theme and from different countries participating in the programme), especially if they have been "tested" and found to be reliable;
• identifying cases where external expertise is necessary (if not using them on regular basis);
• inviting them to Monitoring/Steering Committee meetings.

All assessors selected, especially when they are external to the programme, should sign a self-declaration of confidentiality and impartiality. This is usually available as a template.

Assessment approach

There were two approaches which programmes used when assessing projects: descriptive and numerical. The ranking of projects based on scores is recommended because it renders the procedure more transparent. In this case the numerical assessment is indispensable as the descriptive part does not lend itself to aggregation. Additional indications of the project's strengths and weaknesses need to be provided as comments.

Some examples of the scale used in the numerical assessment approach are presented in the table below.

Table: Examples of numerical assessment scales

Scale 1	Scale 2	Scale 3
1 – poor / very poor	-2 – very poor	0 – insufficient
2 – fair / poor	-1 – poor	1 – sufficient
3 – good / adequate	0 - fair	3 – appropriate
4 – very good / good	+1 – good	5 – completely appropriate
5 – excellent	+2 – excellent	

Lately, the practitioners recommended using the third example in the above table as it does not have the weakness of the "middle" option, which is often used by assessors. It is possible that middle scores carry much less information and in fact do not illustrate the quality of an aspect.

To give more emphasis on the assessment criteria which programmes considers most relevant, weighting of scores and setting of thresholds is used (see example below).

Table: Example of weighting and thresholds

Criterion	Max score	Weighting	Weighted Final Score
1. STRATEGIC CRITERIA			
1.1 Project's context (relevance and strategy)	10	X3	30
1.2 Cooperation character	10	X3	40
1.3 Project's contribution to programme's objectives, expected results and outputs	10	X4	40
1.4 Partnership relevance	10	X1	10
2. OPERATIONAL CRITERIA			
2.1 Management	10	X3	30
2.2 Communication	10	X1	10
2.3 Work plan	10	X2	20
2.4 Budget	10	X2	20
TOTAL			**200**
QUALITY THRESHOLD (65 %)			**130**

When applying **weighting scores,** each assessment question is multiplied with the pre-agreed number (which depends on the importance of the assessment question), and the final score is taken into account.

The aim of the **threshold** is to approve only those projects that lie above a certain level, despite the fact that there are funds available for all projects. To avoid providing funds to projects of lower quality, the programme should set minimum thresholds already when opening the call for proposals. Some programmes use the threshold for the level of assessment questions as well; e.g., a minimum 50 % score must be achieved in the assessment question "Cooperation character".

Assessment tools

A programme might consider preparing, in advance, different templates to enable efficient assessment (assessment grids, assessment reports, standard letters to be sent to applicants) to be used throughout the entire process. They should be prepared in a way which allows assessors to include basic data (project title and acronym, project number, lead partner, etc.) as well as a date and signature on the document. It is important that templates allow some flexibility to accommodate case-specific issues.

Guidance for assessors – programmes prepare an assessment manual, which can have the following characteristics:
• it is an agreement between programme partners regarding how certain topics should be understood and assessed;
• it gives guidance to assessors, whether external or internal, experienced or less experienced, but above all, it explains in a coherent way what the programme values;
• it usually comprises the basic rules and main principles of the assessment, description of the selection process of the assessors, the assessment procedure and timelines, rules governing correspondence and the handling of documents, different templates in annexes (assessment sheet, declaration of impartiality and confidentiality, request for missing documents and clarifications, rejection/approval letter, etc.);
• if the programme uses external assessors, the guidance is more detailed and also includes basic information about the programme;

- programmes could offer additional guidance for assessors by explaining in which cases projects should get a certain score; e.g., the project gets the highest score because it demonstrates strong cooperation as it complies with all four cooperation criteria.

Assessment sheets
- These are first completed by each assessor individually, then a joint assessment sheet is prepared, usually based on a discussion within the Joint Secretariat or a group of assessors.
- It is helpful for assessors if the sheet indicates where the information needed for assessing a certain topic can be found on the application form, especially when the consistency of the project is checked.
- If developed in on-line or Excel format, interconnected entry fields are possible – there is no need to retype or calculate the scores separately and manually.

III. SELECTION PROCEDURE AND FOLLOW-UP

III.I Selection procedure

The selection procedure starts after the Monitoring/Steering Committee members receive information on all eligible application forms received and assessed. The Joint Secretariat provides information on scoring and ranking on projects, with recommendations on which projects are good enough to be approved. If the project was assessed by the third assessor because the assessments of the first two assessors differed significantly, the recommendation needs to be based on the two that have a similar opinion.

Approval decisions are made at the Monitoring/Steering Committee meeting where each project is looked at and discussed. Although the Monitoring/Steering Committee decision-making often concurs with Joint Secretariat recommendations, this is not always the case. Sometimes the Monitoring/Steering Committee members may have a greater understanding of the nature of some projects or the national context within which the projects sit. Therefore the Monitoring/Steering Committee members should have the flexibility to build-in their own priorities in making decisions for project approval rather than simply follow recommendations based on scoring. This is even more important when the projects are assessed by external experts who usually don't have in-depth knowledge of the programme.

As a result and in duly justified cases, the Monitoring/Steering Committee might have the right to give a top-up in the range of maximum 10 -15 % in the form of additional points, so that the strategic character of their judgment can be taken into account (an external assessor might be a specialist in a given domain, but not necessarily possess an understanding of the needs of the programme area seen as a whole). It should also be clearly stated that if projects score low, they cannot be adopted.

However the Monitoring/Steering Committee members need to take into account the programme's performance framework and its targets while making decisions on which projects will be approved. The N+3 rule should not be the reason for approving low-quality projects.

III.II Types of selection decisions

After the assessment process projects are either approved or rejected, but they could also be approved with conditions or rejected with a recommendation to re-apply.

Conditions need to be clear, met within a deadline, and cannot fundamentally change the project. The procedures in place need to clarify who verifies that conditions have been met (Joint Secretariat, Managing Authority, Monitoring/Steering Committee).

Again, one needs to strike a balance between the efforts invested in such procedures and the alternative of inviting the project applicant to come back for the next call. It is important that the number and types of conditions are reasonable, so as not to delay the programme implementation by waiting for projects to fulfil the conditions. If the project is not strategic to the programme, such an approach is not recommendable.

There are times in the programme's life cycle when conditional approvals are well justified; e.g., when money in a given priority is more or less spent and when the programme is running its last calls. If the conditions are not met or if there are too many significant changes needed, the programme can reject the project with a recommendation to re-apply.

III.III Communication of the results of project selection

Following standard transparency requirements, the selection decisions need to be communicated to all projects assessed and to the general public. The projects are notified by the Joint Secretariat about the selection decisions made at the Monitoring/Steering Committee meeting in the following way:

- Lead Partners of the **approved projects** will receive a letter stating the decision of the Monitoring/Steering Committee, as well as the total ERDF fund approved;
- Applicants of the **rejected applications** will receive a notification letter together with a summary of the assessment results, listing the reasons why their application has failed. Similarly projects approved with conditions will receive explanations of conditions and deadlines for their fulfilment.

In addition to the above, programmes need to ensure access to assessment documents, if requested by projects. In 2014-2020, all programmes need to have in place (and inform the applicants about) an effective arrangement for the examination of complaints (CPR Art. 74(3)).[2]

To ensure transparency concerning support from the Funds, the programme is required to publish electronically (i.e., on the programme website) a list of projects selected for funding, following the data fields listed in Annex XII, Section 1 of the CPR.

6. Reference to other, more-detailed papers

- ➤ Project application and assessment handbook: analysis of 2007-2013 practices
- ➤ HIT Quality assessment criteria
- ➤ HIT Administrative and Eligibility check
- ➤ HIT Application form
- ➤ HIT Complaint procedure

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[2] For more information on complaint procedure please refer to the Complaint Procedure fact sheet.