### The cross-border cooperation

# in the regulation proposals for the Cohesion Policy 2014 - 2020



Website page of the regulation proposals (European Commission): http://ec.europa.eu/regional\_policy/what/fut ure/proposals\_2014\_2020\_en.cfm#1

#### MOT website:

http://www.espaces-transfrontaliers.eu

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Regulation (EU) n° [...]/2012 [CPR] : Article 110. Determination of co-financing rates

Regulation (UE) n° [...]/2012 [ETC]: Article 2. Components of the European territorial cooperation goal

Article 4. Resources of European territorial cooperation

October 6th 2011, the European Commission published the regulation proposals for the Cohesion Policy 2014 – 2020 :

- An **overarching regulation** setting out common rules governing the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This will allow for the better combination between funds leading to a stronger impact of the Cohesion Policy.
- Three specific regulations for the ERDF, the ESF and the Cohesion Fund.
- Two regulations dealing with the European territorial cooperation (ETC) goal and the European grouping of territorial cooperation (EGTC).
- Two regulations on the European Globalisation Fund (EGF) and the Programme for Social Change and Innovation.
- A communication on the European Union Solidarity Fund (EUSF)

### This memo highlights the main points of interest for the cross-border cooperation:

- 1/ A specific regulation for the European Territorial Cooperation goal
- 2/ A better connection between strategies and programs
- 3/ A section dedicated to the European territorial cooperation goal in the Partnership Contracts
- 4/ An integrated approach to territorial development
- 5/ A strengthening of thematic concentration
- 6/ New instruments for articulating the sectorial and territorial dimensions
- 7/ The confirmation of the role of the EGTC in the management of programs and projects
- 8/ The maintaining of the NUTS level 3 as a basis for defining the perimeters of cross-border cooperation
- 9/ The conservation of the "rule of the 150 km" used for the definition of maritime cross-border cooperation
- 10/ A better consideration of the overseas areas

### 1/ A specific regulation for the European Territorial Cooperation goal

The MOT is pleased with the creation of a specific regulation for the European territorial cooperation goal, which recognizes the added value of this goal to the cohesion policy and responds to the specific aspects of its strategy and implementation.

The new rules maintain the general structure of the ETC goal, organized in three sections: cross-border, transnational and interregional (Article 2 of ETC Regulation). They also simplify and clarify the implementation of the ETC goal. In addition, the resources allocated to this goal are more important: 3.48% of the Cohesion Policy budget (11.7 billion euros) are allocated to ETC goal and of that amount 73% (8.57 billion of euros) are allocated to the cross-border cooperation (Article 4.1 of the ETC Regulation). The maximum cofinancing rate for the ETC goal is maintained at 75% (Article 110 of the CPR).

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Regulation (EU) n° [...]/2012 [CPR] : Article 10. Common Strategic Framework Article 11. Content Article 14. Content of the Partneship Contract

Regulation (UE) n° [...]/2012 [ETC] : Article 7. Content of the cooperation programmes

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Regulation (UE) n° [...]/2012 [ETC] : Article 7. Content of the cooperation programmes

#### 2/ A better connection between strategies and programs

The regulation proposals enhance the coordination between strategic documents and programs through the new provisions for the **Common Strategic Framework** (Articles 10 and 11 of the CPR) and the **Partnership Contracts** (Article 14 of the CPR), a very positive development according to the MOT.

Furthermore, the articulation of programs and strategies is also consolidated in the new structure of the cooperation **Operational Programs (OP)**. The choice of thematic objectives must be justified in regard to the Common Strategic Framework and the ex-ante evaluations (Article 7 of the ETC Regulation). This provision existed in the previous regulations, but in the new framework its importance is amplified because of the stronger thematic focus (see paragraph 5).

## 3/ A section dedicated to the European territorial cooperation goal in the Partnership Contracts

The MOT welcomes the new provisions according to which the inclusion of the ETC goal in the Partnership Contracts is mandatory. These national contracts should include "the main priority areas for cooperation, taking into account, where appropriate, of macro-regional strategies and sea basins strategies" (Article 14 of the CPR).

This evolution is consistent with the opinion of the MOT that the future Partnership Contracts of neighboring countries should be coordinated on aspects of cross-border cooperation.

#### 4/ An integrated approach to territorial development

The MOT is pleased with the new provisions for achieving territorial cohesion. First, the relationship between the funds is reinforced within the Common Strategic Framework (Articles 10 and 11 of the CPR) and Partnership Contracts (Article 14 of the CPR), which have to describe the coordination mechanisms between funds.

Second, the Partnership Contracts must contain "an integrated approach to territorial development" and "an integrated approach to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or exclusion, with special regard to marginalized communities".

Third, regarding cross-border cooperation, Operational Programs must submit their "contribution to the integrated territorial development set out in the Partnership Contract" (Article 7.2.c) of the ETC Regulation). In addition, where appropriate, programs may contain an "integrated approach to the territorial development of urban, rural, coastal areas and areas with

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particular territorial features" and "the list of cities where integrated actions for sustainable urban development will be implemented". The OPs should also identify the "areas in which community-led local development will be implemented" and the "contribution of the planned interventions towards macro-regional strategies and sea basin strategies".

#### 5/ A strengthening of thematic concentration

One of the leading proposals for new regulations is the reduction of thematic objectives that can be funded through Operational Programs. Article 5 of the ETC Regulation specifies that each cross-border cooperation program may select **up to four thematic objectives** listed in the article 9 of the General Regulation. In addition, article 6 of the ETC Regulation provides specific details related to cross-border cooperation with regards to the investment themes.

The Commission states that this reduction in the number of thematic objectives will maximize the impact of cohesion policy. The MOT considers that this provision should be interpreted with great caution so as not to undermine the objectives of the newly strengthened territorial cohesion and local development.

### 6/ New instruments for articulating the sectorial and territorial dimensions

The regulation proposals introduce three new instruments to ensure the link between the thematic objectives chosen in the Partneship Contracts and Operational Programs, on the one hand, and the territorial dimension of projects, on the other. These instruments are: **community-led local development** (Article 28 of the CPR), which is conducted according to local development strategies (Article 29 of the CPR) developed by local action groups (Article 30 of the CPR), **joint action plans** (sections 93-97 of the CPR) and **integrated territorial investments** (Article 99 of the CPR).

The ETC Regulation provides for the implementation of these three instruments to cooperation initiatives (Articles 8-10 of the ETC Regulation), with the possibility of using the EGTC to lead such actions. The MOT is very satisfied with these new developments in the implementation of the Cohesion Policy.

### 7/ The confirmation of the role of the EGTC in the management of programs and projects

The MOT supports the reinforced possibility of using EGTCs in the management of programs and projects, which is given in the new architecture of the Cohesion Policy. Accordingly, EGTCs may be designated **managing authority** or may run a **global grant**. "Member States participating in a cooperative program may make use of an EGTC with a view to making the grouping responsible for managing the cooperation programme or part

Regulation (EU) n° [...]/2012 [CPR] : Article 9. Thematic objectives

Regulation (UE) n° [...]/2012 [ETC] : Article 5. Thematic concentration Article 6. Investment priorities

Regulation (EU) n° [...]/2012 [CPR] : Article 28. Community-led local development Article 29. Local development strategies Article 30. Local action groups Chapitre III. Joint action plan Article 99. Integrated territorial investment

Regulation (UE) n° [...]/2012 [ETC] : Article 8. Joint action plan Article 9. Community-led local development Article 10. Integrated territorial investment

Regulation (UE) n° [...]/2012 [ETC] : Article 8. Joint action plan Article 10. Integrated territorial investment Article 21. European grouping of territorial cooperation

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thereof, notably by conferring on it the responsibilities of a managing authority" (Article 21 of the ETC Regulation).

In addition, EGTCs may manage joint action plans and integrated territorial investments (Articles 8 and 10 of the ETC Regulation).

## 8/ The maintaining of the NUTS level 3 as a basis for defining the perimeters of cross-border cooperation

The NUTS 3 level is maintained as the unit used in defining the perimeters of the cross-border cooperation programs, as defined by the article 3.1 of the ETC Regulation: "the regions to be supported shall be NUTS level 3 regions of the Union along all internal and external land borders other than those covered by programmes under the external financial instruments of the Union".

The report on the agenda of cross-border, transnational and interregional cooperation, presented by MEP Maria Teresa Sanchez-Schmid to the European Parliament, one of the documents that has fueled the discussions of the Commission during the regulation process, states that this option is more appropriate in meeting the "local needs of cross-border regions".

## 9/ The conservation of the "rule of the 150 km" used for the definition of maritime cross-border cooperation

The ETC Regulation proposal drafted by the Commission uses the same rule in defining the maritime cross-border cooperation perimeters as did the previous regulations. The programs will include "all NUTS level 3 regions of the Union along maritime borders separated by a maximum of 150 km, without prejudice to potential adjustments needed to ensure the coherence and continuity of cooperation programme areas established for the 2007-2013 programming period" (Article 3 of the ETC Regulation).

#### 10/ A better consideration of the overseas areas

The new specifications of the regulations concerning the outermost regions (which include the French overseas areas) are positive, a situation that the MOT appreciates. "Cooperation programmes involving the outermost regions shall receive not less than an amount not less than 150% of the ERDF support they received in the 2007-2013 period" (article 4.2 of the ETC Regulation).

In addition, the regulation proposals expands the **spending flexibility** for the ECT programs including the outermost regions to 30% of the total amount of the grant (Article 19 of the ETC Regulation).

Regulation (UE) n° [...]/2012 [ETC] : Article 3. Geographical coverage

Report on Objective 3: a challenge for territorial cooperation – the future agenda for cross-border, transnational and interregional cooperation (2010/2155(INI)), passed on June 23<sup>rd</sup> 2011.

Regulation (UE) n° [...]/2012 [ETC] : Article 3. Geographical coverage

Regulation (UE) n° [...]/2012 [ETC] : Article 4. Resources of European territorial cooperation Article 19. Eligibility of operations in cooperation programmes depending on location