

From cross-border to interaction area CBC post-2020

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Dirk Peters

Cohesion Policy post-2020



Dreistufige Rakete zur grenzübergreifenden Zusammenarbeit

Jede Stufe verfügt über eigenes Triebwerk und Treibstoff.

- **Stufe 1: INTERREG**
(Gemeinsame Strategie und EFRE)
- **Stufe 2: EVTZ**
(Gemeinsame Struktur und gegenseitiges Vertrauen)
- **Stufe 3: ECBM**
(Gemeinsames Verfahren und Initiator)



The Cross-border multistage or step rocket

A **multistage rocket**, or **step rocket** is a launch vehicle that uses two or more rocket stages, each of which contains its own *engines* and *propellant*.

- **Stage 1: INTERREG**
(joint strategy and money)
- **Stage 2: European grouping of territorial cooperation**
(common structure and mutual trust)
- **Stage 3: ECBM**
(legal obstacles and initiators)



ETC (Interreg)



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5 key legal instruments

Common Provisions Regulation (CPR)

- Delivery elements

ERDF/CF Regulation

- Cohesion policy priorities are here (e.g. specific objectives and thematic concentration requirements)
- Scope

ETC Regulation

Territorial co-operation including external assistance

~~EGCT~~ Regulation

ECBM Regulation

ESF+ Regulation

Main changes to ETC (Interreg)

5 Components of Interreg

- **Cross-border cooperation (component 1/ Strand A)**
internal – (also 3rd countries without EU funds)
external - IPA CBC, Neighbourhood CBC
NUTS 3
- **Transnational cooperation and maritime cooperation (component 2/ Strand B)**
2A Transnational cooperation
2B Maritime cooperation
NUTS 2, but additional NUTS 3 allocation for maritime CBC
+ third and partner countries + OCT Greenland
- **Interregional cooperation (component 4/ Strand C)**
 - **INTERACT (plus)** *Interreg EUROPE*
 - **ESPON** *URBACT*
- **Outermost regions cooperation (component 3/ strand D)**
(with cooperation outside EU: NDICI and OCTP)
- **Interregional innovation investments (component 5)**
in/direct management → ERDF Regulation

Shorter & modern menu of priorities

5 Policy objectives + 2 Interreg-specific objectives

1. *A smarter Europe (innovative & smart economic transformation)*
2. *A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)*
3. *A more connected Europe (mobility and ICT connectivity)*
4. *A more social Europe (the European Pillar of Social Rights)*
5. *A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)*

1. *A better **cooperation** governance*
2. *A safer and more secure Europe*

Thematic concentration!

Faster "programming"

Programming process

- *“Political” and financial commitment of each programme partner*
- *Partnership principle*

Content of Interreg programmes (Article 17 ETC)

- *Summary of the main development challenges and **strategy** for contribution to policy objectives*
- *Justification for selection of policy objectives and specific objectives*
- *Priorities: each priority corresponds to a single policy objective*
- *Communication and visibility*
- *[Council deleted option to programme IJG goal allocation inside Interreg programmes (Art. 17(3)) → more difficult for CB infrastructures!]*

Faster "programming" (Articles 16, 17 and 19 ETC)

Programme submission, adoption and amendments

- **Submission: Entry into force + 9 months**
exception external: Strategic document + 9 months
- **Adoption: 6 months;**
observations within 3 months
- **No compliance with PA**
- **Programme amendments: 4 months;**
observations within 2 months
New: Transfer up to 10% (priority) or 5% (programme)
→ NO COM Decision (non-substantial amendment)

Simpler management and control

- **No designation procedure: roll-over of existing systems**
- **Fewer layers of control: Certification Authorities replaced by an accounting function which will not duplicate controls**
- **Fewer verifications: Currently 100% of payment claims covered by administrative verifications, in future risk-based sample**
- **Simpler process for acceptance of accounts**
- **Clarity on document retention period for beneficiaries (5 years from end of year with last reimbursement)**

Monitoring - Evaluation – Performance Audit

Monitoring Committee (Artt. 27-29 ETC)

Setting up (Article 27) - composition (Article 28) - functions (Article 29)

Review (Article 30 ETC)

Transmission of data (Article 31 ETC)

Evaluation by Member States (Article 34 ETC)

Evaluation by the Commission (Article 40 CPR)

TA for the programmes (Article 30 CPR, Article 26 ETC)

Performance framework (Artt. 12-13 CPR, 17+33 ETC)

New audit system (Artt. 47+48)

Co-financing rates on programme level (ex 12-13)

Ceiling	Applies to
40%	<i>More developed regions</i>
55%	<i>Transition regions</i>
70%	<i>Less developed regions</i> <i>Outermost regions</i> <i>Cohesion Fund</i> <i>Interreg</i>
85%	<i>IPA-CBC,</i>
90%	<i>Neighbourhood CBC</i>

Interreg project partnership (Article 23 ETC)

- ***Interreg partnership for operations***

Cooperation is about...cooperation!

4 dimensions (DISF)

- *Development*

- *Implementation*

- *Staffing*

- *financing*

- *Lead partner principle*

- *Sole beneficiary (EGTC)*

New: Small project funds (Article 24)

- *Only for Interreg*
- *SPF = "operation" [small projects ≠ people-to-people projects]*
- *EUR 20 million or 15% per SPF under an Interreg programme*
- *"Final recipients" implement "small projects" (§1)*
- *Cross-border legal body or **EGTC** = beneficiary (§2)*
- *Content of grant letter (§3)*
- *Selection of small projects ≠ delegation of tasks to an IB (§4)*
- *20% max. for staff and management costs (§5)*
- *Small project < EUR 100.000 → SCO obligatory (§6)*

Eligibility (Articles 36 to 43 ETC)

- **Hierarchy of Interreg eligibility rules (36)**
 - *EU rules (CPR, ERDF, ETC)*
 - *programme specific rules (MC, whole programme area, timely)*
 - *national rules (only outside)*
New: *MA prevails AA on eligibility/selection of projects*

- **New:** *DA 481/2014 → Articles 37 to 43*

staff costs (closer link to CPR, capping for 1.720 hours)

New: *travel and accommodation (flat rate up to 15% of direct costs)*

New: *infrastructure and works*

European grouping of territorial cooperation



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European grouping of territorial cooperation

CPR: point 27 of Article 2 – always public expenditure

ERDF: °º

ETC (Interreg)

- *Recital 8 + Article 3, point 4(a)(iii): Interact*
- *Recital 27: different roles of EGTC*
- *Article 20: ITI*
- *Article 23(6): Sole beneficiary*
- *Article 24(2): SPF beneficiary*
- *Article 28(1): Composition MC (“may”)*
- *Article 44(4): MA*
- *Article 50(2): Recoveries*

European cross-border mechanism



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Why is it needed?

- *Article 174 of TFEU: "particular attention to ...cross-border...regions"*
- *In spite of the Single Market legal and administrative obstacles still hamper cross-border interactions in the EU.*
- *"If only 20% of existing obstacles were removed border regions would still gain 2% in GDP."*

(Com(2017)534, data from Politecnico de Milano)

What is it?

- *A legal mechanism to overcome legal obstacles that hamper stronger cross-border interaction*
- *A framework to establish case by case agreements: European cross-border commitments (ECBC); or European cross-border statements (ECBS) to overcome existing obstacles*
- *Within those limits, allows for the application in one MS of the legal provisions from another MS*

European Cross-border mechanism

Voluntary instrument, but effective system on each border obligatory! (4)

Cross-border Coordination Points at national/regional level (5+6)

Commission Border Focal Point (7)

Step 1 – Preparation and submission of initiative document (8+9)

Step 2A – Preliminary analysis by committing and transferring MSt (10+11)

Step 2B – Follow-up (12)

Step 3 – Preparation and conclusion/signature of ECBC/ECBS (13-17)

Step 4 – Implementation (18+19)

Step 5 – Monitoring (20)

Legal protection (21+22)

Final provisions (23-26)

... just some examples linked to health

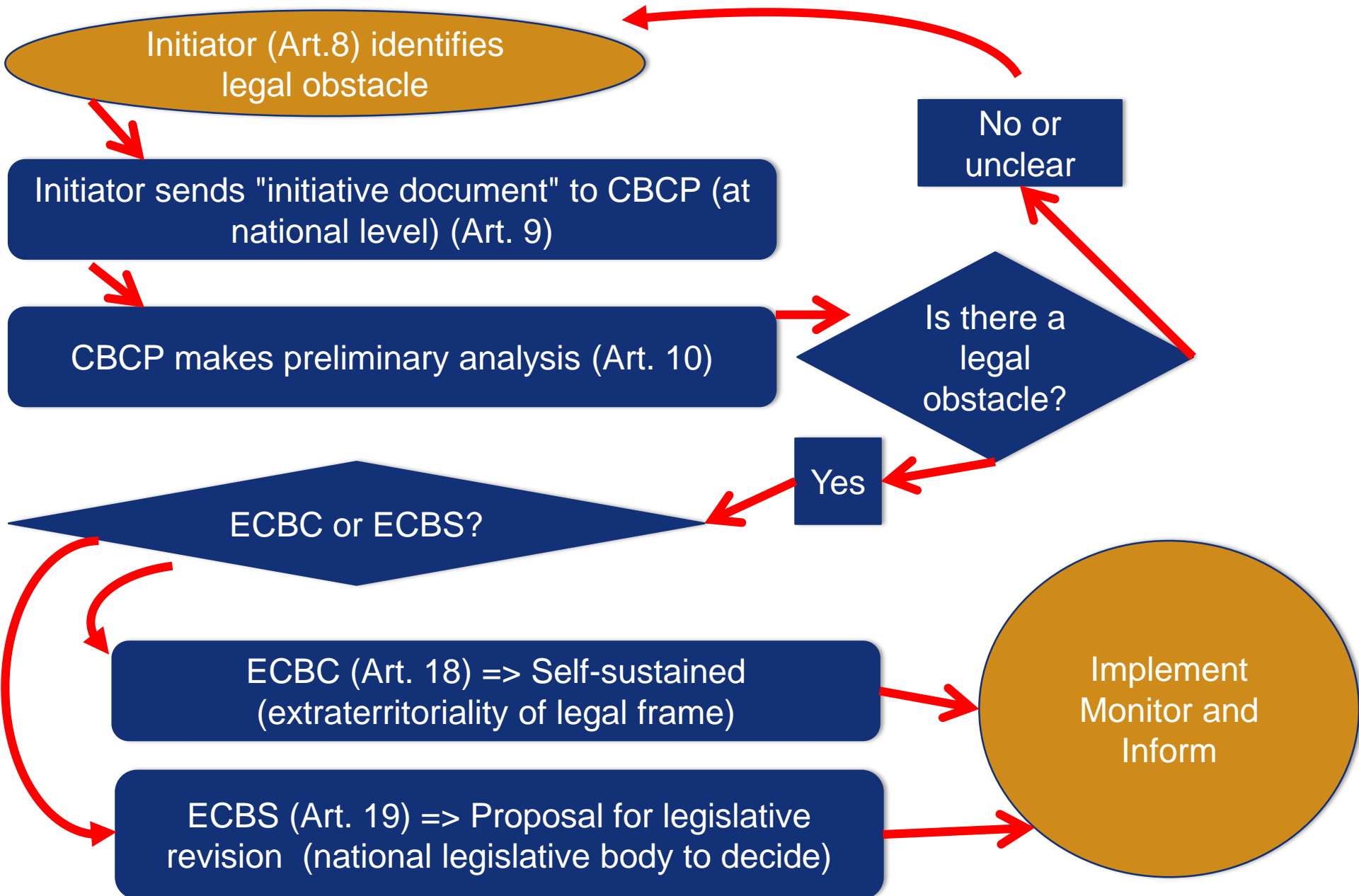
➤ 2 out of 10 b-solutions:

- *Acceptance of doctors' and nurses diplomas*
- *High administrative burden for reimbursement procedures for commuters*

➤ Case studies:

- *Equal treatment of staff inside a hospital (wage, working time)*
- *French police cannot interrogate victims in Spain*
- *Birth certificates and return of bodies to France*
- *Import of narcotics on ambulances*
- *Cross-border radio communication*

Second level (one decision per obstacle Artt. 8-20)



Negotiations

ETC Regulation is being discussed with Council and EP: details of final outcome still unknown

EP: Opinion adopted by the REGI Committee on 3 Dec 2018 and in plenary session on 15 Jan 2019 (1st reading: 15 March 2019)

Council: Coreper 27 May 2019

Next steps: Trilogues to start with new EP (October 2019)

**Many thanks
for your attention!**

Dirk.Peters@ec.europa.eu

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