

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT
STRUCTURAL AND COHESION POLICIES **B**



Agriculture and Rural Development



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**RESEARCH FOR REGI
COMMITTEE - REVIEW OF
ADOPTED EUROPEAN
TERRITORIAL COOPERATION
PROGRAMMES**

STUDY



DIRECTORATE-GENERAL FOR INTERNAL POLICIES
POLICY DEPARTMENT B: STRUCTURAL AND COHESION POLICIES

REGIONAL DEVELOPMENT

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TERRITORIAL COOPERATION
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This document was requested by the European Parliament's Committee on Regional Development.

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POLICY DEPARTMENT B: STRUCTURAL AND COHESION POLICIES

REGIONAL DEVELOPMENT

RESEARCH FOR REGI COMMITTEE - REVIEW OF ADOPTED EUROPEAN TERRITORIAL COOPERATION PROGRAMMES

STUDY

Abstract

This study provides a comprehensive synthetic analysis of the European Territorial Cooperation programmes adopted for the programming period 2014–2020. The study offers insights on the strategic choices made by Member States and programme authorities for programme content and management, synergies with other EU, national and regional level instruments, implementing tools and simplification measures foreseen by the regulations.

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LIST OF ABBREVIATIONS

CBC	Cross-Border Cooperation
CLLD	Community Led Local Development
CPR	Common Provision Regulation
DG	Directorate-General of the European Commission
DG REGIO	European Commission Directorate-General for Regional Policy
EC	European Commission
EDF	European Development Fund
EGTC	European Grouping of Territorial Cooperation
EIB	European Investment Bank
ENI	European Neighbourhood Instrument
ENPI	European Neighbourhood and Partnership Instrument
ERDF	European Regional Development Fund
ESI Funds	European Structural & Investment Funds
ETC	European Territorial Cooperation
EU	European Union
EUSAIR	European Union Strategy for the Adriatic and Ionian Region
EUSALP	European Union Strategy for the Alpine Region
EUSBSR	European Union Strategy for the Baltic Sea Region
EUSDR	European Union Strategy for the Danube Region
IPA	Instrument for Pre-Accession Assistance
ITI	Integrated Territorial Investment
JAP	Joint Action Plan
SCO	Simplified Cost Options
SMEs	Small and Medium-sized Enterprises
TFEU	Treaty on the Functioning of the European Union

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EXECUTIVE SUMMARY

In the programming period 2014 – 2020, there is a specific regulation for European Territorial Cooperation (ETC), EU Regulation No. 1299/2013¹. The European Parliament was an active legislator in formulating the final version of this regulation.

The overall aim of this study is to analyse the ETC programmes to assess the extent to which new elements introduced by the ETC Regulation were taken into account during the programme writing phase and to inform the European Parliament about the implementation of this new legislative framework. Cooperation at the external borders of the European Union is also analysed to highlight the involvement of third countries. The methodology – presented in Chapter 1 - draws on desk research (literature and programme review) and interviews with selected managing authorities.

Chapter 2 presents the state of play and evolution of the programming context. Compared with the previous programming period, 2014–2020 ETC has seen a further increase in budget and in the number of ETC programmes supported. Generally, there continues to be a relatively wide scope of themes that ETC programmes can address in the 2014-2020 period, but clear provisions on thematic concentration have now been adopted. A major change for the 2014-2020 period is the general requirement for stronger result-orientation in programmes funded by the European Structural and Investment Funds (ESI Funds), which also applies to ETC programmes. Cooperation at the external borders of the EU is also affected by these provisions. For the Instrument for Pre-accession Assistance (IPA II), the new rules imply an alignment of Thematic Priorities to the Thematic Objectives set up in the Common Provisions Regulation, and therefore to Europe 2020 Strategy. In addition, for the first time, there is an obligatory indicators system and the concept of expected results for the European Neighbourhood Instrument (ENI).

Chapter 3 deals with the programming strategy for strategic choices made by the programme authorities and the justification for these choices. In general, the ETC programmes selected a limited number of Thematic Objectives and show a clear concentration of financial resources on Thematic Objective 6 (environment and resource efficiency) and Thematic Objective 1 (research, development and innovation). Inclusive growth is often considered as a cross-cutting issue. The IPA Cross Border Cooperation (CBC) programmes primarily focus on Thematic Priority b (environment, climate change adaptation and mitigation) and Thematic Priority d (tourism and natural and cultural heritage). The few ENI CBC programmes analysed do not show a particular focus.

The result-oriented approach has required programmes to better define the specific dimensions of well-being and progress for people that motivate the policy action. Programmes must also elaborate more efficient monitoring and evaluation systems. This has implied specific challenges, in particular related to the formulation of result indicators – often made by external experts – and to the lack of data and methodologies for establishing baselines. The vast majority of programmes have selected common output indicators, although they are sometimes considered by stakeholders as not well suited to capture what operations should achieve, especially for coastal and maritime areas.

The synergies between the Cooperation Programmes and other national and EU planning instruments and strategies are analysed in Chapter 4. The programmes identify clear

¹ Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal.

synergies and ways of coordinating with other Cohesion Policy funding instruments, i.e. mainstream and other ETC programmes. There is also a high coherence between Thematic Objectives and synergies with EU instruments outside Cohesion Policy, such as HORIZON 2020, COSME and LIFE+. However, in many cases, the way synergies are to be realised is still not explained in detail in the programme documents.

Joint development plans or strategies are hardly mentioned in ETC programmes. Even if they exist across borders, they are not necessarily linked to a (complete) ETC programme area. Coordination with the European Grouping of Territorial Cooperation (EGTC) is explicitly mentioned in few programmes and if so, mostly as potential beneficiaries.

Due to the priority that macro-regional strategies are given on the political agenda – Article 8(3)(d) of the ETC Regulation requests that Cooperation Programmes in which Member States participate in macro-regional and sea basin strategies describe how they intend to contribute to the respective strategy objectives - principally all programmes identify links to strategies overlapping with the programme area. Contribution tends to be one-sided from Cooperation Programmes towards implementing the strategies. How synergies will be achieved during implementation of the programmes is specified in different levels of detail.

Chapter 5 is dedicated to management structures proposed in the ETC programmes. The uptake of simplification measures (such as merging the managing and certifying authorities, the designation of one programme authority for more than one programme etc.) for programme management highlights different approaches to limiting administrative burden. The programmes that considered the simplification elements provided in the Common Provisions Regulation (CPR) and ETC Regulation streamlined their governance processes. The other programmes kept their management structures from previous periods, with minor changes, to secure continuity and limit the need for the development of new skills.

Stakeholders consider electronic communication with beneficiaries (e-cohesion) and Simplified Cost Options as helping reduce administrative burden for beneficiaries. The former is widely introduced in 2014-2020 ETC programmes and only sometimes have national requirements or conditions challenged programme authorities to use specific tools for the Cooperation Programmes. Most programmes use harmonisation methods developed by INTERACT. These are deemed to reduce financial management costs, in particular for beneficiaries, but reduce administrative procedures for verification and audit.

The formulation of programme strategies improved during the programming period with implementation of the partnership principle (Article 5 of the CPR). Partners were more involved than in previous programming periods, helping formulate the programmes, although this is not always explicitly mentioned in programme documents. Most partners are expected to be involved in the monitoring committee and for information and communication purposes. However, the involvement of partners in programme implementation is only described to a very limited extent.

Chapter 6 examines the uptake of new programme implementation tools introduced by the 2014–2020 legislative framework also for the Cooperation Programmes. These tools include Community Led Local Development (CLLD), Integrated Territorial Investment (ITI), Joint Action Plans (JAPs), integrated actions for sustainable urban development, financial instruments and major projects. The majority of ETC programmes do not intend to use these tools. Programme authorities consider that the limited size of programmes does not allow implementation of Major Projects and the employment of financial instruments would require considerable manpower. The other instruments mentioned above are seen as

complex and burdensome for Cooperation Programmes – due to their objectives and territorial characteristics - and more suitable for mainstream programmes. In addition, the territorial cooperation tools (CLLD, ITI, JAP and the integrated actions for sustainable urban development) may overlap with existing local cooperation organisations.

Difficulties related to programme implementation and management are related to differences in institutional capacity. More emphasis is put on strengthening cooperation between administrative entities rather than promoting a joint provision of public services. Cooperation with third countries may face challenges from differences in legislative frameworks.

Cross-cutting issues such as security and immigration represent a considerable challenge at cross-border level. Nevertheless, they are not mentioned in any of the Cooperation Programmes analysed. The exclusive competence of Member States in these matters, and regulations mainly dedicated to development issues, make it difficult to address such issues cross-border at the moment.

Finally, recommendations from the research team to ETC players at national, cross-border and EU level concern the follow up of the programme implementation issues over the whole programming period 2014-2020, specific implementation guidelines for ETC programmes and improvement in the design of Cooperation Programmes beyond 2020, especially for synergies with other policies instruments and the programme indicator toolkit.

1. INTRODUCTION

ETC is one of the two goals of Cohesion Policy and provides a framework for the implementation of joint actions between national, regional and local actors from different Member States. The overall objective of ETC is to promote harmonious economic, social and territorial development in the EU. For the first time in the history of European Cohesion Policy, in the 2014–2020 programming period, ETC programmes are governed by a specific regulation, the ETC Regulation.

Objective of the study

The objective of this study is to provide the European Parliament with a first ‘map’ and a comprehensive synthetic analysis of adopted 2014-2020 ETC programmes. The study provides a general description of the three strands of ETC – cross-border, transnational and interregional cooperation – and a review of the programmes – focused on cross-border and transnational cooperation. The analysis assesses to what extent these programmes have employed the opportunities introduced by the new ETC Regulation. Specific attention is given to elements and concepts endorsed by the European Parliament during the negotiation phases. These include flexibility in thematic concentration, links between investment priorities and specific ETC goals, implementation modalities and management structure of Cooperation Programmes, links with macro-regional and sea-basin strategies, as well as challenges for outermost regions and northernmost regions with very low population density.

In addition, as a horizontal element, the study makes compares the 2007-2013 and 2014-2020 programming periods, with examples and illustrations of the main changes.

The study focuses on cross-border and transnational Cooperation Programmes involving EU countries and regions, third countries in pre-accession phase and neighbouring countries. Interregional programmes are not taken into account.

Methodology

The methodological approach proposed by the team of experts is based on a list of questions that cover a large spectrum of themes regarding the new ETC regulatory framework. The questions address concentration and strategic coherence, simplification, flexibility, synergies with other programmes and the use of new implementing tools.

The questions are regrouped into limited operational categories, or ‘clusters’ of analysis, linked to themes stated in the Terms of Reference. The five clusters are related to:

- the state of play and evolution of the regulatory framework (including the European Parliament’s role);
- strategic choices made by ETC programmes, including exclusive competence introduced within the cooperation objective;
- synergies between programming instruments in different contexts of cooperation and across funds;
- institutional arrangements in the programmes for the implementation phase;
- new programming tools introduced in the panorama of cooperation for 2014-2020.

The table below shows the link between the questions, their grouping in key issues and the chapter of the study addressing these issues.

Table 1: Research questions and corresponding chapters

RESEACH QUESTIONS		CATEGORY OF ISSUE	CHAPTER	SECTION
1	What are the key features of ETC, and what changes can be observed and anticipated compared to the previous programming period?	State of play and evolution	Chapter 2	Section 2.1
2	Based on the experience gained so far, has the new legislative framework for ETC brought about clearer rules for ETC programmes? For example, have content requirements for Cooperation Programmes become clearer?			
3	Have the elements advocated by the European Parliament during negotiations on the ETC Regulation been considered as a contribution to simplification/clearer rules?			Section 2.2
4	Have the new rules responded to difficulties experienced in the past concerning cooperation with third countries?			
5	What can be said about the strategic choices of Member States (investment priorities, thematic concentration)?	Programming strategy	Chapter 3	Section 3.1
6	Has balance been kept between thematic concentration and specific needs of territories?			Section 3.2 & 3.4
7	Based on the programmes/programming experience, have the new rules led to programmes that set out clear deliverables? *			
8	Is 'solid funding' provided for ETC actions: does the available budget match the 'ambitions' and identified needs?			Section 3.3
9	Are there more synergies with other instruments?	Synergies	Chapter 4	Section 4.1 & 4.3
10	Are ETC programmes better embedded into territorial planning (i.e. links to 'mainstream' programmes and existing development plans and also to macro-regional/sea-basin strategies)? Are there joint development strategies (of border areas), and are these taken into account in ETC programmes?			Section 4.2 & 4.4

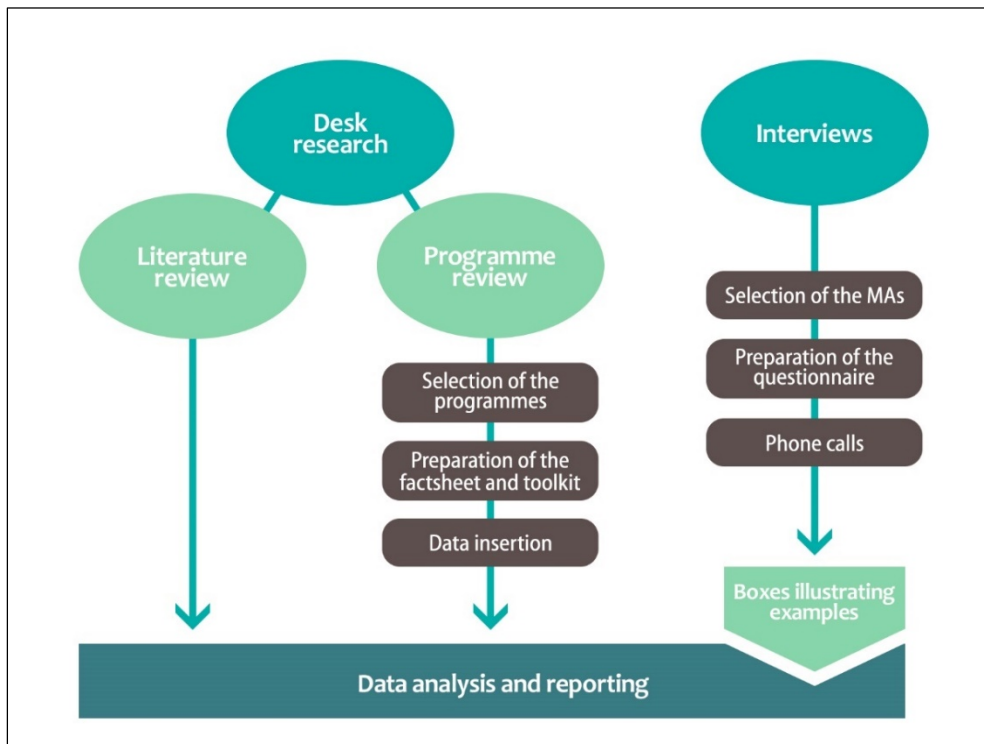
RESEACH QUESTIONS		CATEGORY OF ISSUE	CHAPTER	SECTION
11	Have the rules on designation of authorities resulted in simplification of the process of setting up implementation structures?	Management structure	Chapter 5	Section 5.1
12	What are the specificities of applying Article 5 of the CPR in ETC programmes/programming? How is coordination managed in this context?			Section 5.2
13	Are there any specific challenges linked to e-cohesion?			Section 5.3
14	Are tools such as CLLD/ITIs/JAPs/integrated actions for sustainable urban development going to be used in ETC programmes and how?	Implementation tools	Chapter 6	Section 6.1, 6.2 & 6.3

Source: Author

Note: * The clear deliverables are a cross-cutting issue related partly to the programming strategy (Chapter 3) and to the management structures put in place by the programmes (Chapter 5).

Data collection was first through a literature review. For the second stage, a desktop review of programmes used a common template. Finally, 13 ETC managing authorities were interviewed to reinforce the analysis with more qualitative information

Figure 1: Methodological overview



Source: Author

Literature review

The literature review is based on publically available official documents issued by EU institutions as well as studies and reports offering insights on the Specific Objectives of the study (see References). The review helped answer questions linked to the state of play and past experience of ETC cooperation, and to changes introduced over the different programming periods.

List of programmes reviewed

In order to provide a comprehensive analysis of the programme strands mentioned above, the study reviews 50% of the CBC and Transnational Cooperation programmes adopted at the end of 2015 – 30 CBC programmes out of 60 and 10 Transnational Cooperation programmes out of 15 - with a focus on CBC programmes. The analysis also takes into account the outermost regions and northernmost regions with very low population density as well as island and mountain regions. In addition, the study includes a number of CBC programmes funded by IPA II, around 60% of the IPA CBC programmes adopted (6 out of 10 programmes) and the two programmes funded by the ENI approved by 2015. For a full list of reviewed programmes see Annex A and for their territorial coverage see Annex B.

Interviews

A total of 13 interviews complemented the literature review and the programme review. A representative set of ETC managing authorities (see Annex C) was selected considering:

- the different strands of Cooperation Programmes;
- new programmes and programmes from the previous programming period;
- internal cooperation within EU 28 + European Free Trade Association countries and cooperation at the external borders of the EU;
- cooperation areas with peculiar characteristics such as the outermost regions, the northernmost regions with very low population density, and islands, as well as cross-border and mountain regions.

Information from the desktop analysis is reported in tables and figures. In addition, boxes highlight elements emerging from interviews with managing authorities.

The methodological limits of the study are related to:

- the partial coverage of Cooperation Programmes, as only 50% of the approved programmes have been analysed;
- the time coverage of the analysis, which takes into account the first part of the programming period 2014-2020, and therefore does not provide definitive conclusions on issues for the whole programming period.

2. STATE OF PLAY AND EVOLUTION OF THE PROGRAMMING CONTEXT

KEY FINDINGS

ETC evolved and matured significantly during the four preceding programming periods (1990-1993, 1994-1999, 2000-2006 and 2007-2013). This process of change continues for 2014-2020, with cooperation at both the internal and external borders of the EU.

Cooperation between EU Member States and European Free Trade Association countries in the 2014-2020 period:

- **ETC continues to have a strategic position within EU Cohesion Policy:** ETC is one of the two Cohesion Policy goals that now also address the Treaty's territorial cohesion objective.
- **The legal framework for ETC was significantly improved,** because for the first time EU Cohesion Policy has separate regulatory provisions for implementing the ETC goal. The ETC Regulation introduces new elements and concepts.
- **The scope of themes that ETC programmes can potentially address continues to be wide,** but there are now clear provisions on thematic concentration.
- **A major change** is the requirement for **stronger result-orientation in ESI Funds programmes,** which also applies to ETC programmes.
- **There is a further increase in ETC budget and the number of programmes supported.**
- **ETC programmes have to ensure stronger sectoral and territorial coordination** with interventions under ESI Funds and **with policies and instruments at EU, cross-border, Member State and regional levels.**
- In order to strengthen and reinforce both EU-funded and general territorial cooperation, the existing EGTC legal instrument was improved further and new territorial intervention concepts were introduced.
- Another novel element is the **requirement to reduce administrative burden for both beneficiaries and bodies involved in the management and control of programmes.**
- Overall, **more tailor-made ETC implementation provisions have brought about clearer rules and content requirements** as well as further proposals for simplification and flexibility **for ETC programmes** compared with the previous programming period.

Cooperation between EU Member States and third countries:

- The dual EU-funding structure established in 2007-2013 for cooperation at EU external borders was generally maintained for 2014-2020 period.
- The legal framework for cooperation at EU external borders is established by regulations governing IPA II and the new ENI, but also by complementary provisions in the ETC Regulation.
- Overall, **the new set of rules for cooperation at EU external borders** takes into consideration lessons from the 2007-2013 programming period and **aims to ensure maximum coordination, flexibility, complementarity and synergy in cooperation at the internal and external borders of the EU.**

In this chapter, before focussing on ETC (now operating under the common brand name 'Interreg V' in the 2014-2020 programming period), sections 2.2 and 2.3, section 2.1 highlight that European local and regional authorities cooperated long before the introduction of Community-level funding schemes at the end of the 1980s.

2.1. Overview of Cooperation Programme evolution

Territorial cooperation between the 1950s and the late 1980s was launched by local or regional authorities and quickly diversified with different ways of cooperating. Shortly after World War II, cooperation started in Western Europe with bilateral town twinning, which continues to promote peace and mutual understanding at grassroots level. Early forms of transnational cooperation emerged in North-West Europe in 1955 (i.e. the Conference of the Regions of North-West Europe) and in 1958 the first decentralised CBC structure was established on the German-Dutch border (EUREGIO in Gronau/Germany). More permanent CBC structures were set up during the following decades, mostly on borders between Western European and Scandinavian countries. Another important feature of this early cooperation period is the establishment of European regional associations, which represented the common interest of their members at Community level from the early 1970s (e.g. the Association of European Border Regions, founded in 1971 and the Conference of Peripheral and Maritime Regions, founded in 1973). Also the European Parliament noted of this early cooperation activity and commissioned a number of reports on cross-border co-operation² as well as a report on bilateral town twinning (Fontaine-report of February 1988)³.

The **first multi-annual programming period of the reformed Structural Funds 1989-1993** included implementation of the newly created Community policy on economic and social cohesion,⁴ as well as new **Community funding schemes promoting more intense cooperation between regional and local authorities**. These included:

² See the Gerlach-Report of 1976 on the Community's regional policy as regards regions on the Community's internal frontiers (OJ No C 293, 13.12.1976), the Boot-report of 1984 on the strengthening of trans-frontier cooperation (OJ No C 127, 14.5.1984), the Schreiber-report of 1986 on the Saarland-Lothringen-Luxemburg region (OJ No C 176, 14.7.1986), the Poetschki-report on trans-frontier cooperation at internal borders (OJ No C 99, 13.4.1987), the Chiabrando-report of 1988 on the development programme for the Spain/Portugal border region (OJ No C 262, 10.10.1988).

³ Following the Fontaine-report, funding from the Commission supported the establishment of bilateral town twinning between local authorities in the EU and other European countries.

⁴ With the Single European Act entering into force on 1 July 1987, a new Treaty chapter on economic and social cohesion was introduced (i.e. former Articles 130A-130E). This envisaged modifications to the functioning of existing Community level policy instruments (i.e. the ERDF, European Social Fund, EAGGF-Guidance Section) and also provided for stronger coordination between these instruments to better achieve the new Treaty

- CBC, supporting regions sharing a common national border, started with a short pilot programme in 1988-1989. This was followed by a Community Initiative (Interreg I: 1990-1993) that was established in Article 11 of Coordination Regulation (EEC) No. 4253/88⁵. Interreg I was implemented through 31 cross-border programmes, which mostly covered the internal borders of the Community but also external borders with Switzerland, Austria, Slovenia and what is now the Czech Republic.
- In parallel to Interreg, interregional cooperation, developing networks of regions that do not necessarily share a common border, was also promoted through several Community funding schemes. These were the Exchange of Experience Programme, the first generation of the Regions and Cities for Europe programme (RECITE I) and the separate ECOS and Overture schemes.
- Transnational cooperation, involving regions from several Member States, did not start until 1997.

During the next three programming periods 1994-1999, 2000-2006 and 2007-2013, Community-funded ETC significantly evolved and matured. This was driven by major developments in the ongoing European integration process and by newly emerging macro-societal challenges. These led to territorial needs and problems that had to be addressed by policies at EU, national, regional or local levels and by ETC. The main changes were:

- Having remained largely stable between 1994 and 2006, the legal status of Interreg within EU Cohesion Policy evolved at the beginning of the 2007-2013 period. From 1994-1999, Interreg continued to operate as one of 14 Community Initiatives as it did in the 2000-2006 period⁶, although EU-support was now focussed on only four initiatives: Interreg, Leader, Equal, Urban. In 2007-2013, ETC became one of the three objectives of EU Cohesion Policy, through Article 2(c) of General Regulation EC No. 1083/2006⁷. ETC was promoted within the Community by the ERDF in Article 6 of ERDF Regulation EC No. 1080/2006⁸. ETC was also facilitated and further reinforced by the newly created legal instrument⁹ on EGTC.¹⁰
- There was considerable change to cooperation types covered by Interreg. CBC was supported under all Interreg programming periods (i.e. Interreg IIA, Interreg IIIA, Interreg IVA) and always received the main share of Community funding for ETC. Transnational cooperation was added to Interreg II as a new Strand C in 1997. The short transnational cooperation experience between 1997 and 1999 was consolidated under Strand B of Interreg III (2000-2006) and continued through Interreg IVB in the

objectives. The 1988 reform of the Structural Funds has put these Treaty provisions into practice through a Coordination Regulation and through various fund-specific regulations. See INTERACT (2015b), pp.7-9.

⁵ Council Regulation (EEC) No 4253/88 of 19 December 1988 laying down provisions for implementing Regulation (EEC) No 2052/88 regarding coordination of the activities of the different Structural Funds between themselves and with the operations of the European Investment Bank and other existing financial instruments.

⁶ Article 20 of the General Provisions Regulation (EC) No. 1260/1999 and Article 3 of ERDF Regulation (EC) No. 1783/1999.

⁷ Council Regulation (EC) No 1083/2006 of July 2006 laying down general provisions of the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1260/1999.

⁸ Regulation (EC) No 1080/2006 of the European Parliament and of the Council of July 2006 on the European Regional Development Fund and repealing Regulation (EC) No 1783/1999.

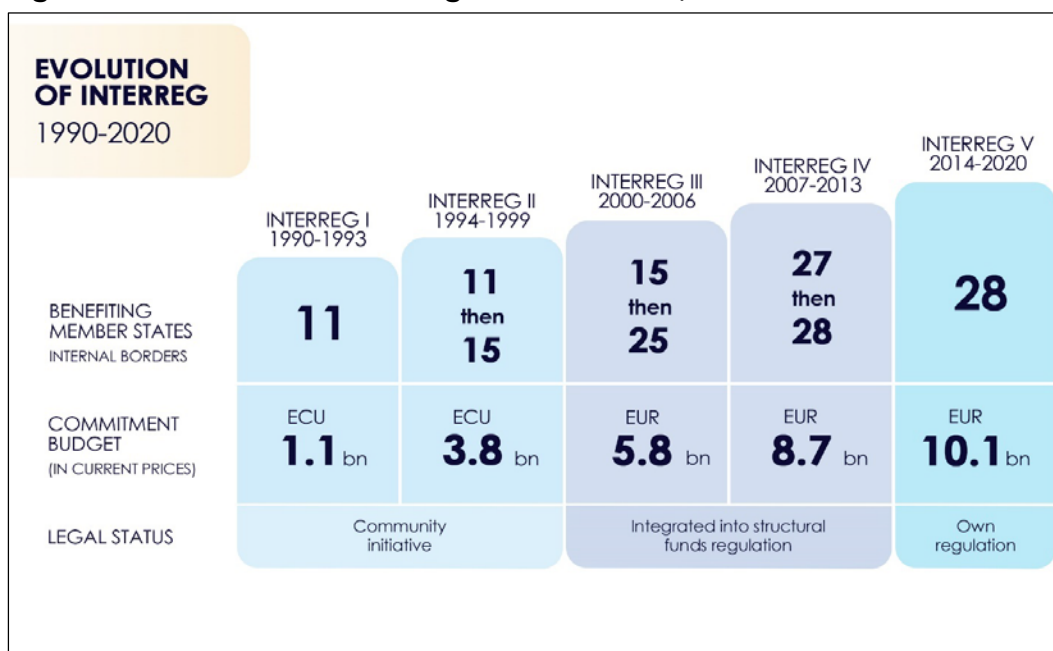
⁹ Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation.

¹⁰ European Parliament (2015), study commissioned by Policy Department for Structural and Cohesion Policies, DG IPOL, European Grouping of Territorial Cooperation as an instrument for promotion and improvement of territorial cooperation in Europe, Authors: Spatial Foresight, EGTC – Centre of Excellence, European University. Viadrina, ÖIR, t33, Delft University of Technology.

2007-2013 period. The different EU schemes that supported internal and external interregional cooperation during the 1990s in parallel to Interreg¹¹ were consolidated in the 2000-2006 period. This led to the new Strand C under Interreg III, which provided a coherent framework for large-scale information exchange and experience sharing to improve the effectiveness of regional development policies and instruments. A further novelty in the 2000-2006 period was the introduction of three networking programmes: Urbact, Interact and ESPON. Interregional cooperation and the networking programmes were continued in 2007-2013 under the new ETC objective to reinforce the effectiveness of regional policy.

- The geographical scope and volume of financial support for ETC changed considerably, mainly because of successive EU enlargements. ERDF supported ETC in an increasing number of Member States (i.e. 15 from 1995, 25 from 2004, 27 from 2007 and 28 from 2013). The ERDF budget (commitment appropriations in current prices) allocated to ETC in is shown in figure 2 below. A direct consequence of the EU enlargement process was also that the number of ETC programmes rose from 75 in 1994-1999¹² to 84 in 2000-2006¹³, 92 in 2007-2013, including the ENPI- and IPA-supported cross-border programmes and 107 in 2014-2020.¹⁴

Figure 2: Evolution of Interreg 1990 – 2020 (commitments in current prices).



Source: based on European Commission, DG Regio (2014a), p. 16

¹¹ i.e. the programmes RECITE II (internal interregional cooperation) and ECOS-Ouverture II (external interregional cooperation).

¹² i.e. 59 Strand A programmes covering internal and external EU borders, 3 Strand B programmes for the completion of energy networks (Greece, Greece-Italy, Spain-Portugal) and 12 Strand C programmes (7 on general transnational cooperation, 2 on flood prevention and 4 on drought mitigation).

¹³ i.e. 64 Strand A programmes covering internal and external EU borders, 13 Strand B programmes on transnational cooperation and 7 interregional and networking programmes (4 Interreg IIIC, ESPON, Interact, URBACT). See: INTERACT (2016).

¹⁴ i.e. 55 Strand A programmes covering only internal EU borders (Interreg), 13 Strand B programmes on transnational cooperation and 4 interregional and networking programmes (Interreg IVC, ESPON, Interact, URBACT), all supported by the ERDF, but also the 20 ENPI and IPA programmes covering the external EU borders to which the ERDF contributed in addition. See: INTERACT (2016).

Since the 2008 financial crisis, conditions within the EU have changed considerably for implementation of Cohesion Policy programmes in 2007-2013 and with preparation for the fifth Cohesion Policy programming period (2014-2020). The crisis had highly asymmetric impacts across the EU that unveiled structural weaknesses in the economies of Member States and individual regions. Furthermore, the crisis also led to rapidly increased public indebtedness in a number of Member States. This was and still is a major issue of concern, mainly because it restricts their capacity to respond to new territorial development problems and also induces other negative EU-wide developments such as the Euro-crisis.

As a reaction to all this, the Europe 2020 Strategy¹⁵ for smart, sustainable and inclusive growth (Europe 2020) was adopted in 2010 as a new and comprehensive EU-wide policy agenda until 2020. Europe 2020 replaced the former Lisbon Strategy and is expected to help Member States recover from the crisis and get the Union as a whole '*back on track*'. High levels of employment and productivity, for which knowledge and innovation are key, are anticipated, as is active promotion of the EU's economic, social and territorial cohesion.¹⁶ Against this wider background, Interreg V (2014-2020) was significantly reshaped to contribute to delivery of Europe 2020 and to support harmonious development of the Union at different territorial levels.

In parallel, **an increasing number of neighbouring third countries became involved** in cross-border and transnational or interregional cooperation. Their participation was first supported by a large number of separate Community-funded instruments. These were established between 1994 and 2006 in the wider context of EU enlargement and international cooperation policy and include PHARE¹⁷, CARDS¹⁸, the IPA for Turkey¹⁹, TACIS²⁰ and MEDA²¹. Then, at the beginning of the 2007-2013 period, this complex system of multiple EU funding instruments was significantly re-structured through the newly created European Neighbourhood and Partnership Instrument (ENPI) and the IPA.

2.2. Key features of cooperation between EU Member States and European Free Trade Association countries

This section addresses cooperation between the 28 EU Member States as well as cooperation between Member States and the European Free Trade Association countries, being Norway, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, the Faroe Islands and Greenland (which is included in cooperation within the EU internal borders). Cooperation programmes funded by IPA II and ENI (cooperation at the EU external borders) will be addressed under section 2.3.

¹⁵ European Commission (2010), Communication from the Commission, Europe 2020 – A strategy for smart sustainable and inclusive growth.

¹⁶ See also: INTERACT (2015b), pp.15-16; Luxemburg Council Presidency (2015) pp. 8-9.

¹⁷ Poland and Hungary Assistance for Reconstruction of Economy. The Programme of Community aid to the countries of Central and Eastern Europe.

¹⁸ Community Assistance to Reconstruction, Development and Stabilisation programme (CARDS) is intended to provide Community assistance to the countries of South-Eastern Europe with a view to their participation in the stabilisation and association process with the European Union.

¹⁹ The Instrument for Pre-accession Assistance (IPA) is how the EU supports reforms in 'enlargement countries' with financial and technical help.

²⁰ Technical Assistance to the Commonwealth of Independent States programme (TACIS) is a foreign and technical assistance programme implemented by the European Commission.

²¹ European-Mediterranean programme (MEDA) to implement cooperation measures designed to help Mediterranean non-member countries reform their economic and social structures and mitigate the social and environmental consequences of economic development.

The European Parliament actively promoted continuity with modifications for ETC during the inter-institutional negotiation process on the legislative package for the 2014-2020 programming period, when it was a full-fledged co-legislator for the first time.²² Many elements advocated by the European Parliament during these negotiations were incorporated into the ETC Regulation and contributed to further improve the framework for internal territorial cooperation.

ETC is financed in the current programming period only by ERDF. In addition, there is the transnational cooperation financed by the European Social Fund, which intends to develop more effective employment and social policies by enabling the exchange of good practices between countries. Synergies with ETC programmes as well as with EU, national and regional instruments and strategies are encouraged for the transnational Cooperation Programmes under the scope of the European Social Fund.²³

The overview below briefly summarises the most important changes between 2007-2013 and 2014-2020 and also shows the uptake of specific European Parliament positions within the ETC Regulation (see Table 2).

Table 2: ETC provisions in the two programming periods

Aspect	2007-2013	2014-2020	Elements advocated by the European Parliament
Position of ETC in EU Cohesion Policy	ETC is one of the three objectives of Cohesion Policy	ETC is one of the two objectives of Cohesion Policy	Reinforcement of the ETC goal in the 2014-2020 programming period
Legal framework for ETC	ERDF Regulation	Mainly ETC Regulation, but CPR and ERDF Regulation also apply.	The basic structure of ETC with its three different types of programmes, should be maintained
Geographical coverage	ERDF Regulation	Article 3 of the ETC Regulation	Introduction of more flexibility for the 150 km rule
Specific cooperation needs	None	Article 7 of the ETC Regulation	Adapt investment needs to the ETC goal
Thematic objectives	Common priorities in the framework of the Lisbon earmarking exercise	Article 9 of the CPR (Thematic Objectives derived from Europe 2020)	European Parliament added new items to the Thematic Objectives (i.e. preserving the environment; promoting quality employment; combating discrimination; enhancing institutional capacity of stakeholders)

²² European Parliament (no date mentioned), pp. 125-137.

²³ EC (2015c), Transnational cooperation 2014–2020 in the European Social Fund, An introductory guide, pp. 9.

Aspect	2007-2013	2014-2020	Elements advocated by the European Parliament
Investment priorities	Priorities set out for all three strands under Article 6 of the ERDF Regulation and justification of priorities chosen in each programme (Article 12(3) of the ERDF Regulation)	Article 7 of the ETC Regulation: Investment Priorities (IP) have to be justified by needs identified in the territorial analysis.	Adaptation of the list of Investment Priorities to the specific needs of ETC (i.e. additional Investment Priorities for CBC; coordination of macro-regional & sea-basin strategies under transnational cooperation; detailed Investment Priorities for interregional cooperation) and ensuring more consistency with Investment Priorities set out in the ERDF Regulation.
Thematic concentration	None	Article 18 of the CPR; Article. 6 of the ETC Regulation	More flexibility through allocating 80% of the ERDF to four Thematic Objectives and leaving the remaining 20 % open
Intervention logic	Output, result and impact indicators	Common output indicators and result indicators. Result-oriented approach	Improving the performance of ETC programmes
New instruments and concepts	EGTC: Regulation (EC) No 1082/2006	EGTC: Regulation (EU) No 1302/2013 amending Regulation (EC) No 1082/2006 ETC-Regulation: new concepts such as JAPs (Article 9), CLLD (Article 10) and ITI (Article 11)	European Parliament promoted new concepts for all ESI Funds programmes (JAPs, CLLD, ITI) to be inserted into the ETC Regulation in order to encourage a bottom-up participation of local community actors (JAPs, CLLD) and to ensure that specific needs of local communities and cities are met (ITI).
Challenges of outermost / northernmost regions	Article 11 of the ERDF Regulation refers to all ERDF programmes.	Article 3(1) of the ETC Regulation: Outermost regions may receive support from funds allocated to corresponding Member States for cross-border programmes.	Introduced on the initiative of the European Parliament, outermost regions may combine in a single programme for territorial cooperation the amounts of the ERDF allocated for cross-border and transnational cooperation (amendment 42 to Article 3).

Aspect	2007-2013	2014-2020	Elements advocated by the European Parliament
			For the selection of operations, the European Parliament managed to add a number of specific rules regarding outermost regions cooperating with third countries.
Link to the EU macro-regional strategies	None	Three strategies are currently in an implementation phase (EUSBSR, EUSDR and EUSAIR) and one under approval (EUSALP).	Take into account existing and future macro-regional and sea basin strategies in deciding the areas covered by transnational cooperation
Flexibility	No provisions concerning the resource transfer between different programme strands. In the context of CBC up to 20% of a programme's ERDF allocation may be spent in areas that are adjacent to the eligible areas (Article. 21(1) of the ERDF Regulation).	Article 5 of the ETC Regulation introduces a degree of flexibility (15%) to allow ERDF allocations to be transferred between cross-border and transnational strands. Article 70 of the CPR defines the flexibility for the operations supported by the ESI Funds to allocate up to 15% of the ERDF, CF and EMFF at priority level to operations implemented outside the programme area	Make possible the transfer of resources between the cross-border and the transnational strands (flexibility of 15%)
Performance framework	None	Milestones for 2018 but no performance reserve	Improving the management and audit of programmes
Programme management	Separate managing and certifying authorities	Part IV, Article 123 (3) of the CPR: Option to merge the managing authority and certifying authority	A simplification in programme management rules and organisation

Aspect	2007-2013	2014-2020	Elements advocated by the European Parliament
Programme auditing	Simplified Cost Options were introduced in 2010 ²⁴ and could be used by the 2007 – 2013 period Cooperation Programmes only from 2011.	Article 67-68 of the CPR & Article 19 of ETC Regulation: Grants and repayable assistance may take the form of Simplified Cost Options, (standard scale of unit costs, lump sums, flat- rate financing).	Improving the management and audit of ETC programmes; simplify data transmission between beneficiaries and managing authorities.
Reduction of administrative burden	None	General aim under the ESI Funds according to Article 4(5) & Article 4(10) of the CPR.	The European Parliament achieved the inclusion in the scope of ex-ante evaluations of measures to reduce the administrative burden.
Technical assistance	Article 24 of Regulation (EC) 1083/2016 established that 0.25% of the Funds' overall budget shall be devoted to technical assistance.	Article 17 of the ETC Regulation: Specific rules for smaller programmes	Under smaller programmes not exceeding EUR 50 million of ERDF assistance, technical assistance is limited to 7% of the total amount allocated. Technical assistance shall not be less than EUR 1.5 million and not higher than EUR 3 million.
Communication with beneficiaries	Not obligatory electronic data exchange systems	Article 122(3) CPR	Improving the management and audit of programmes
Implementation reports	Article 67 Regulation (EC) 1083/2006 established that for the first time in 2008 and by 30 June of each year the managing authority shall send the	Article 14(4) of the ETC Regulation: Specific requirements for Annual Implementation Reports in 2017 and 2019	In 2017 and 2019, the Cooperation Programmes reports shall set out progress in implementation of the evaluation plan, publicity measures and the involvement of partners in the implementation, monitoring and evaluation of the Cooperation Programme (amendment 116 to Article 14)

²⁴ European Commission (2010), Indirect costs declared on a flat rate basis, flat rate costs calculated by application of standard scales of unit costs, Lump Sums.

Aspect	2007-2013	2014-2020	Elements advocated by the European Parliament
	Commission an annual report.		

Source: based on EU regulations and European Parliament (no date mentioned) p. 125-137

While bearing in mind the ETC legal framework summarised in the table above, the following highlights **the 10 most important features of cooperation within EU internal borders for 2014-2020.**

(1) The strategic position and outreach of ETC became more important within EU Cohesion Policy for 2014-2020. In 2007-2013, ETC was still one of three objectives of EU Cohesion Policy, in addition to Convergence and Regional competitiveness and employment, to reinforce the economic and social cohesion of the enlarged EU and promote a harmonious, balanced and sustainable development of the Community (i.e. Article 3 of the former General Regulation and Article 2 of the former ERDF Regulation). For 2014–2020, ETC is one of the two goals of Cohesion Policy, (in addition to Investment for growth and jobs²⁵) under which the ERDF supports cross-border, transnational and interregional cooperation to harmonise development of the Union's territory at different levels (ETC Regulation, recital 4). The most important change with respect to 2007-2013 is the much wider long-term aim of the ETC goal. It also helps to strengthen territorial cohesion, which is a new objective of the EU after the Lisbon Treaty and one that promotes overall harmonious development in the Union (Article 174 TFEU) ²⁶.

(2) The legal framework for ETC has further evolved for 2014-2020, because for the first time a separate regulation with provisions for implementing the ETC goal has been adopted (the ETC Regulation). The adoption of ETC Regulation is justified by the fact that the CPR²⁷ for ESI Funds and other fund-specific regulations are not *'fully adapted to the specific needs of the ETC goal, where at least two Member States or one Member State and a third country cooperate'* (ETC Regulation, recital 2).

(3) The themes that ETC programmes can potentially address in 2014-2020 continue to be wide, but there are now clear provisions on thematic concentration. The themes for cooperation under the ETC goal are defined at three different levels. The CPR enumerates in Article 9 the 11 Thematic Objectives. These are common to all ESI Funds in 2014-2020 and supported under fund-specific missions in order to contribute to Europe 2020 and to economic, social and territorial cohesion. Then, Article 5 of the ERDF Regulation²⁸ lists a number of Investment Priorities that are directly related to Thematic Objectives and sets out more detailed and mutually non-exclusive objectives to which the ERDF is expected to contribute. Article 7 of the ETC Regulation lists a number of additional Investment Priorities for joint actions under cross-border, transnational and interregional Cooperation

²⁵ CPR Article 89.2(b).

²⁶ The ETC goal reinforces the economic, social and territorial cohesion of the Union as a whole (Article 89(1) of the CPR; Article 2 of the ERDF Regulation) and also helps deliver EU 2020 (Article 89(2) of the CPR).

²⁷ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

²⁸ Regulation (EU) No 1301 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) 1080/2006.

Programmes, which ERDF shall also support, in order to contribute to the Thematic Objectives.

The scope for thematic cooperation under the ETC goal is wide, offering sufficient flexibility for ETC programmes to address their highly variable territorial needs and challenges. This is also confirmed by the multi-criteria assessment of INTERACT, which highlights the potential for launching concrete cross-border and transnational actions under the different Thematic Objectives.

Despite flexibility for thematic cooperation, the general rule of thematic concentration as set out by the CPR²⁹ also applies to the ETC goal. Article 6 of the ETC Regulation defines specific provisions for individual ETC components. So each cross-border and transnational Cooperation Programme shall concentrate at least 80% of its ERDF allocation on a maximum of four Thematic Objectives, while interregional cooperation may select all of the eleven Thematic Objectives. The concentration requirements for cross-border and transnational cooperation represent a clear change in comparison to 2007-2013, when there were no such provisions.

(4) A major change for 2014-2020 is the requirement for stronger result-orientation in all ESI Funds programmes³⁰ including ETC programmes³¹. The result-based approach is a new element in the redesigned EU Cohesion Policy for 2014-2020. This reverses the previously input-driven logic of Structural Funds programmes. Although this new approach still contains uncertainties³², it has led to a fundamental revision of basic concepts underlying the programming, monitoring and evaluation of ESI Fund interventions, especially the completely new understanding of results and impacts³³.

Promoting stronger result-orientation for ETC programmes is indeed appropriate, especially given the critical observations in the 2009 Barca Report³⁴ or in the Commission's ex-post

²⁹ Article 18 of the CPR: Member States shall concentrate support, in accordance with the fund-specific rules, on interventions that bring the greatest added value in relation to the Union strategy for smart, sustainable and inclusive growth, taking into account the key territorial challenges of the various types of territories in line with the Common Strategic Framework, the challenges identified in the National Reform Programmes, where appropriate, and relevant country-specific recommendations under Article 121(2) TFEU and the relevant Council recommendations adopted under Article 148(4) TFEU. Provisions on thematic concentration under the fund-specific rules shall not apply to technical assistance.

³⁰ For the Investment for growth and jobs goal in Article 96(2)(b)(ii) of the CPR.

³¹ For the European territorial cooperation goal in Article 8(2)(b)(ii) of the ETC Regulation.

³² EPRC - European Policies Research Centre (2014).

³³ Within this wider concept, the intended result is understood to be the specific dimension of well-being and progress for people that is expected to change, which motivates policy action through specifically designed public interventions. The actual result is the observable difference between the situations before and after a public intervention, but this change is the sum of the actions co-financed by a public intervention (i.e. the impact or effect of an intervention) and the contribution of other factors. See on this: European Commission, DG Regio (2013b), pp.4-7.

³⁴ The assessment of results is still more difficult in the case of the three strands of territorial cooperation – cross-border, transnational, interregional – due to their complexity, to the particular fuzziness of their objectives, and to shortcomings in monitoring systems and data collection. (...) Whatever view is taken of the networking and new regional identities promoted by territorial cooperation, their translation into verifiable results has been limited in the past by several factors. First, a lack of fit between EU and national policies and rules together with insufficient (or absent) Member State commitment to exploiting the programmes – which is also evident in their poor integration with mainstream cohesion policy programmes – has prevented the use of their experimental results. Second, the policy objectives have often lacked clarity: most programmes are broad, leaving room for the pursuit of more vested interests. Finally, the territorial programmes themselves have lacked adequate organisational commitment to translate learning into practical results. (...) Barca (2009), pp. 97-98.

evaluation of the Interreg III Community Initiative³⁵. However, stronger result-orientation will also generate multiple challenges for the new generation of ETC programmes:

- Challenges emerged during the preparation of Interreg V programmes. Implementing stronger result-orientation was not easy for many cross-border and transnational or interregional programming teams (see section 3.3).
- Results-orientation will particularly affect the selection and implementation of cooperation projects, because the entire process is more complex for Interreg V programmes than for mainstream ESI Funds programmes. Project level cooperation will have to be high quality and more durable so that the operations effectively contribute to the results.
- Result-orientation will also challenge future evaluations of ETC programmes, because an appraisal of the results has to disentangle the contribution of programme interventions (i.e. identification of the impact) from changes caused by other factors.

The change from the previous programming period is particularly evident in terms of monitoring requirements. The table below presents a summary of the key elements related to result orientation and their relation with the different types of CBC programmes. The elements defining a result orientation of the programmes are the following:

- the set-up of an indicator system (A);
- the use of common output indicators (B);
- the performance framework (C).

Table 3: Legal framework 2014–2020 for result orientation in CPs

Result-orientation elements / Type of CBC	Internal CBC	IPA CBC	ENI CBC
A	Yes (Article 16 of ETC Regulation)	Yes (Article 2(2) of IPA Regulation)	Yes **
B	Yes (Article 16(1) of ETC Regulation) *	Yes (INTERACT - Implementing provisions for 2014–2020 IPA II CBC with Member States, point 20)	Yes (INTERACT – List of Common Output Indicators for ENI CBC 2014–2020)
C	Yes (Article 8 (2)(b)(v) of the ETC Regulation)	No	No

Source: based on ETC and IPA Regulation and INTERACT (no date mentioned)

Note: * The ETC specific output indicators presented in the Annex of ETC Regulation have been introduced for the first time in the current programming period. Both the Internal CBC programmes and the IPA CBC programmes *must* use the above-mentioned indicators.

** For ENI CBC programmes, the obligation of setting up an indicator system is a new element introduced for the first time in the current programming period. Furthermore, Interact has formulated a list of common output indicators specific to ENI CBC that the programmes *shall* use³⁶.

³⁵ i.e. outputs of Interreg programmes could be quantified but not the impact, because policy objectives and programme strategies were not specific or focused enough; indicators and target setting were not aligned with the objectives. See: European Commission, DG Regio, (2010b) and European Commission, DG Regio (2013a).

³⁶ INTERACT (no date mentioned) 'List of Common Output Indicators for ENI CBC 2014-2020'.

As reported in the table, the legal framework for the 2014-2020 period requires important innovations:

- All types of programmes are required to define target results intended as the specific dimension of well-being and progress for people that motivates policy action, to be achieved in the cooperation area.
- All types of programmes are required to set up a monitoring system characterised by the presence of result (outcome in the case of ENI ETC) and output indicators³⁷.
- All types of ETC programmes are recommended to make use of the available list of common indicators: indeed, for the first time, with the aim to aggregate information across programmes, a set of specific ETC common output indicators is provided (see Annex of the ETC Regulation); its use is recommended (*'when appropriate'*) both for internal ETC and for IPA CBC³⁸. Similarly, Cooperation Programmes financed by ENI are obliged to make use of indicators to measure the achievement of Specific Objectives (Article 2(3) of ENI Regulation) and especially of at least one of the common output indicators provided by Interact.
- Internal ETC programmes should define financial and output indicators to be used as milestones and targets for the performance framework³⁹. The performance framework is one of the tools to achieve a result-orientation of the ESI Funds. The achievement of milestones will be assessed in 2019, while the achievements of targets will be assessed in 2025.

(5) ETC in 2014-2020 has a higher budget compared with previous programming periods and more ETC programmes are supported (see figure 2). The ETC goal receives EUR 10.1 billion of ERDF support, which is 2.8% of the total Cohesion Policy budget for 2014-2020. This ERDF support for ETC programmes (commitment appropriations in current prices) is seemingly nearly ten times higher than the total Community contribution allocated to the first generation of Interreg programmes for 1990-1993. (However, a direct comparison of allocations expressed in "commitment appropriations in current prices" is to be avoided.) In nominal terms, the current funding is EUR 1.4 billion higher than the support for ETC programmes in 2003-2007 (estimate at current prices).

The ERDF budget for Interreg V is distributed between the different cooperation components as follows (see figure 3):

- CBC at internal and external EU borders has around 74% of the ERDF funding for ETC. The 60 Interreg VA programmes that promote integrated regional development across the 38 internal land and maritime borders of the EU receive 65% (or EUR 6.6 billion) of the ERDF funding. The 28 programmes covering external EU borders are mainly supported by the Instrument for Pre-Accession and the new ENI, but they also receive an ERDF contribution of EUR 876 million (or 9%).
- The 15 Interreg VB programmes to increase the territorial integration of larger transnational cooperation areas receive around 21% of the ERDF budget for ETC (or EUR 2.1 billion). Some of these transnational programmes involving third countries may be co-financed by the Instrument for Pre-accession Assistance (Adriatic, Danube, Mediterranean and Balkan Mediterranean) or by the European Neighbourhood

³⁷ More precisely: Result indicators should be (CPR, Annex IIV): a) responsive to policy; b) normative; c) robust (reliable, statistically validated); d) timely collection of data; e) provided with a baseline value (Article 165 of ETC regulation). Output indicators shall cover all priorities of a programme (Article 247(34), 87(2)(b), 96(2)(b)(iv) of the CPR). They should be derived from the intervention logic of the programme, expressing its actions.

³⁸ INTERACT (2012) - Implementing provisions for 2014–2020 IPA II CBC with Member States, point 20.

³⁹ Article 8(1)(v) ETC Regulation.

Instrument (Baltic Sea Region). These programmes will be referred to as transnational multifund programmes.

- Around 5% (or EUR 0.5 billion) of the ERDF budget for ETC is allocated to the interregional Cooperation Programme INTERREG EUROPE and the three networking programmes, Urbact III, Interact III and ESPON2020. These cover all Member States and reinforce the effectiveness of Cohesion Policy.

Interreg V will be implemented through 107 Cooperation Programmes. In 2014-2020, the increased number of programmes is mainly due to the increase in cross-border programmes. In addition, the split of the former South East Europe (SEE) programme into the Danube, Adrion and Balkan-Mediterranean programmes increased the number of transnational programmes.

Figure 3: Interreg V (2014–2020) at a glance



Source: based on European Commission, DG Regio (2014a), p.17

Note: (*) ERDF contribution

(6) Article 10 of the CPR referring to the Common Strategic Framework included in Annex I of the CPR⁴⁰ lays down the strategic approach for **stronger sectoral and territorial coordination of Union interventions under ESI Funds and with other relevant**

⁴⁰ Annex I sections on: coherence with the Union's economic governance; integrated approach to and arrangements for the use of the ESI Funds; coordination and synergies between ESI Funds and other Union policies and instruments; horizontal principles and cross-cutting policy objectives; arrangements for addressing key territorial challenges; cooperation activities.

policies and instruments at Union and Member State levels. These must be in line with the targets and objectives of Europe 2020 and take into account key territorial challenges and the specific national, regional and local context. This strategic approach also applies to ETC, for which the section on cooperation activities in Annex I sets out a number of key elements. These include coordination and complementarity between cooperation activities and other actions supported by the ESI Funds, effective contribution to Europe 2020, making use of cross-border and transnational cooperation to achieve critical mass, making use of interregional cooperation to reinforce the effectiveness of Cohesion Policy and the contribution of ETC to EU macro-regional and sea-basin strategies.

(7) In order to strengthen and reinforce ETC in 2014-2020, the existing EGTC legal instrument was further improved. The former EGTC Regulation (EC) No. 1082/2006 was amended by Regulation (EU) No. 1302/2013⁴¹, which pursues a double objective: to introduce more clarity and greater flexibility into the future use of the EGTC legal instrument⁴², and also to ensure continuity for the existing practical application of this instrument (i.e. established EGTCs should change their statutes or ways of operating)⁴³.

(8) New territorial intervention concepts were introduced for Cooperation Programmes. These are JAPs according to Article 104(1) of the CPR, CLLD according to Article 32 of the CPR, ITI according to Article 36 of the CPR and integrated actions for sustainable urban development according to Article 15(2)(a)(i) of the CPR. They may be applied by ESI Fund programmes to promote an integrated approach to territorial development. The ETC Regulation explicitly considers these new concepts and sets out specific implementation provisions for JAP (Article 9), CLLD (Article 10) ITI (Article 10) and integrated actions for sustainable urban development (Article 8(3)(b)). Financial instruments (Article 37 of the CPR) and major projects (Article 100 of the CPR) can also be considered new intervention concepts under ETC, but the ETC Regulation does not contain a direct reference to these.

Box: Implementation instruments new to ETC

The instruments that are also available for territorial Cooperation Programmes in the regulatory framework 2014-2020

- **CLLD** is an instrument that extends the use of the LEADER approach from the rural development fund to all ESI Funds.
- **ITI** is a new and optional delivery mode introduced in the current programming period that can be used where an urban development strategy or other territorial strategies require the implementation of integrated investment under more than one priority axis or operational programme.
- **JAP** is an operation that comprises a project or a group of projects carried out by the beneficiary – usually a public law body – and whose outputs and results shall be agreed between a Member State and the Commission and shall contribute to Specific Objectives of the operational programmes. In the case of Cooperation

⁴¹ Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings.

⁴² The former EGTC Regulation was modified to take account of changes resulting from the Lisbon Treaty (territorial cohesion objective), to simplify and clarify certain aspects that cause confusion and to ensure more visibility and communication on the formation and operation of EGTCs.

⁴³ See also: European Parliament (no date mentioned), pp. 133-137.

Programmes, Article 9 of the ETC Regulation determines that the beneficiary carrying out a JAP may be an EGTC.

- Cooperation programmes have to take into account the objectives of the Partnership Agreements of the participating Member States (Article 8(3)(b) of the ETC Regulation) and therefore outline an integrated approach to territorial development to be implemented in specific urban areas through **integrated actions for sustainable urban development**. They also have to determine the indicative allocation of the ERDF support for such actions.
- The ETC programmes may support an operation of a precise economic and technical nature – **major project** - for which the total eligible cost exceeds EUR 50 million, and in the case of projects contributing to Thematic Objective 7 (sustainable transport) exceeds EUR 75 million (Article 100 of the CPR).
- ESI Funds can be delivered through grants and **financial instruments**. The latter traditionally consist of⁴⁴: *loans* (agreement obliging the lender to make available to the borrower an agreed sum of money for an agreed period of time and the borrower to repay it within the agreed time); *guarantees* (written commitment to assume responsibility for a third party's debt or obligation in case of loan default); *equity* (provision of capital to a firm in return for total or partial ownership of that firm) and *quasi-equity* (a type of financing ranking between equity and debt, with a higher risk than senior debt and a lower risk than common equity).

Source: based on CPR & ETC Regulation

(9) Another novel element in 2014-2020 is the demand to reduce administrative burden for both beneficiaries and bodies involved in the management and control of programmes. This aspect has become an overall aim within the general principles applying to all ESI Funds (Article 4(5) and Article 4(10) of the CPR), to which the ETC Regulation also explicitly contributes. Specific provisions in the field of ETC should be aimed at '*achieving considerable simplification for all those involved: beneficiaries, programme authorities, authorities in participating Member States, at local, regional or national level, as appropriate, and third countries, as well as the Commission*'.⁴⁵ Moreover, '(...) in order to offset the higher administrative costs, Member States should be encouraged wherever possible to reduce the administrative burden with regard to the implementation of joint projects'.⁴⁶ Due to this novelty, each ESI Funds programme shall include actions to achieve a reduction of the administrative burden on beneficiaries (Article 27(1) of the CPR) and ETC programmes are also required to undertake efforts in this direction.⁴⁷

General options for simplification exist for the eligibility of expenditure (especially Articles 67 and 68 of the CPR). Within this context, ETC Regulation allows additional rules for a Cooperation Programmes as a whole (Article 18(2) of the ETC Regulation) and also staff costs to be calculated at a flat rate of up to 20% (Article 19 of the ETC Regulation). Various articles of the CPR also introduce e-Cohesion⁴⁸, which is a new initiative intended to simplify and

⁴⁴ European Commission DG Regio (2015) 'Guidance for Member States on Financial Instruments – Glossary'.

⁴⁵ See ETC Regulation, recital (3).

⁴⁶ See ETC Regulation, recital (28).

⁴⁷ According to Article 8(5)(b) of the ETC Regulation, the cooperation programme shall set out (...) the assessment of the administrative burden on beneficiaries and, where necessary, the actions planned, accompanied by an indicative timeframe, to reduce the administrative burden.

⁴⁸ i.e. Article 122(3) CPR on management and control systems and responsibilities of Member States (e-Cohesion); Article 15(1)(b)(vi) CPR on the Partnership Agreement (administrative burden reduction); Article 15(2)(b) CPR on the Partnership Agreement (e-Cohesion); Article 96(6)(c) CPR on operational programmes (administrative burden reduction); Article 140 CPR on the availability of documents.

streamline implementation of ESI Funds and to support a reduction of administrative burden for management and control bodies as well as for beneficiaries.

Article 122(3) of the CPR is a completely new provision with no equivalent in previous programming periods. Finally, Article 59(1) of the CPR provides that technical assistance at the initiative of Member States may be used as a source of funding for actions that reduce the administrative burden and that implement e-Cohesion (i.e. establishment of data exchange systems) or reinforce the capacity of Member State authorities and beneficiaries to administer and use the ESI Funds.

(10) Finally, recital 1 and Article 3(7) of the ETC Regulation **give specific attention to the involvement of outermost regions**. This takes into consideration Article 176 of the Treaty on the Functioning of the European Union (TFEU), which indicates that '*(...) particular attention is to be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions.*'

Box: Definition of outermost and northernmost regions

Outermost and northernmost regions with very low population density

- *Outermost regions* are areas very distant from the European continent, distinguished by their remoteness, insularity, small size, difficult topography and climate, economic dependence on a few products (Article 349 of the TFEU), to which the EU law applies. There are nine Outermost Regions:
 - Guadeloupe, French Guiana, Martinique, La Réunion, Mayotte (5 French overseas departments)
 - Saint-Martin (1 French overseas municipality)
 - Madeira and Azores (2 Portuguese autonomous regions)
 - Canary Islands (1 Spanish autonomous community)
- *Northernmost regions with very low population density* are essentially NUTS-II geographic regions with a population density of less than 8 inhabitants per km², or NUTS-III geographic regions with a population density of less than 12.5 inhabitants per km².

Source: TFEU & Eurostat 'Regional typologies overview'

2.3. Key features of cooperation between Member States and third countries

Since the mid-1990s, ETC also involved an increasing number of neighbouring third countries⁴⁹ at the southern, northern and eastern external land and sea borders of the steadily enlarging EU. During the programming periods 1994-1999 and 2000-2006, a variety of separate funding instruments were established under the EU's enlargement and international cooperation policy, which also provided financial and technical assistance to cross-border, transnational or interregional cooperation. These were the pre-accession support instruments for neighbouring candidate countries in the East and South (i.e. the

⁴⁹ Third countries are those involved in Cooperation Programmes supported by IPA II and ENI instrument as mentioned in Article 26 of the ETC Regulation.

PHARE⁵⁰, CARDS⁵¹, ISPA⁵² and SAPARD⁵³ programmes and the specific pre-accession instrument for Turkey), the TACIS⁵⁴ programme, which promoted the transition to a market economy and democracy and the rule of law in partner States of Eastern Europe and Central Asia, and finally the MEDA instrument for economic and financial cooperation under the Euro-Mediterranean partnership⁵⁵. DG Enlargement, DG Regio and DG for External Relations were involved in periodic meetings organised by the Commission to discuss programming and implementation issues of the above-mentioned programmes⁵⁶.

This complex system of multiple EU funding instruments was significantly re-structured at the beginning of the 2007-2013 programming period, which also involved changes especially for CBC at external EU borders:

- Since 2007, the IPA has replaced the EU's former support instruments (i.e. PHARE, CARDS, ISPA, SAPARD and the pre-accession instrument for Turkey). With a budget of some € 11.5 billion for 2007-2013, the IPA promoted reforms in candidate countries and potential candidates⁵⁷ through financial and technical assistance in transition assistance and institution building, CBC, regional development, human resource development and rural development. CBC was supported both between IPA beneficiary countries (intra-Western Balkans) and between EU Member States and IPA beneficiary countries. Under the latter constellation, the IPA supported 10 cross-border programmes (see Table 4), which together have 1,021 projects⁵⁸.
- The ENPI has become the main funding instrument of the wider European Neighbourhood Policy⁵⁹ and also replaced the former TACIS and MEDA programmes. The ENPI financed 12 joint programmes (see Table 3) that brought together regions of Member States and partner countries sharing a common border⁶⁰. These cross-

⁵⁰ Poland and Hungary Assistance for Reconstruction of Economy. The Programme of Community aid to the countries of Central and Eastern Europe.

⁵¹ Community Assistance to Reconstruction, Development and Stabilisation programme (CARDS) is intended to provide Community assistance to the countries of South-Eastern Europe with a view to their participation in the stabilisation and association process with the European Union.

⁵² Instrument for Structural Policy for Pre-Accession (ISPA) was launched in 2000 to assist the candidate countries (together with PHARE and SAPARD) in the preparation for accession.

⁵³ Special Accession Programme for Agriculture and Rural Development in candidate countries.

⁵⁴ Technical Assistance to the Commonwealth of Independent States programme (TACIS) is a foreign and technical assistance programme implemented by the European Commission that aims to promote the transition to a market economy and to reinforce democracy and the rule of law in the partner States in Eastern Europe and Central Asia.

⁵⁵ European Mediterranean programme (MEDA) was launched in 1996 to implement cooperation measures designed to help Mediterranean non-member countries reform their economic and social structures and mitigate the social and environmental consequences of economic development.

⁵⁶ European Commission (2010), Report from the Commission, annual report on the instrument for structural policies for pre-accession (ISPA) 2009.

⁵⁷ IPA beneficiary countries for the entire period 2007-2013 were Albania, Bosnia & Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Kosovo, Montenegro, Serbia and Turkey, while Iceland was included only for 2011-2013.

⁵⁸ INTERACT (2016).

⁵⁹ The ENP was launched in 2003 and further developed after the 2004 EU enlargement, with the objective of avoiding new dividing lines between the enlarged EU and its neighbours and instead strengthening the prosperity, stability and security of all. It is based on the values of democracy, rule of law and respect of human rights. The 16 southern and eastern neighbour countries of the ENP are Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine, Syria, Tunisia, Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. Russia took part in CBC activities under the ENP, but is not a part of the ENP as such. See: http://ec.europa.eu/enlargement/neighbourhood/overview/index_en.htm.

⁶⁰ ENPI was operational from 1 January 2007 and represented strategic continuity with enlarged objectives of the former Cooperation Programmes TACIS (for the Eastern European countries) and MEDA (for the Mediterranean countries). ENPI had EUR 11.2 billion for 2007-2013, which was an increase of 32% in real terms, compared with the amount in 2000-2006 for the MEDA and TACIS programmes. This budget was allocated as follows: 95%

border programmes have together realised a total of 920 projects⁶¹. Furthermore, multi-country programmes could also provide for cross-regional cooperation between Member States and partner countries on common interests with no geographical restrictions⁶².

Table 4: ENPI and IPA cross-border programmes (2007-2013)

IPA cross-border programmes (only EU Member States / Western Balkans)	ENPI cross-border programmes
<ol style="list-style-type: none"> 1. Adriatic IPA CBC (IT-SI-EL-HR-BA-ME-AL-RS) 2. Bulgaria - Former Yugoslav Republic of Macedonia IPA CBC 3. Bulgaria - Serbia IPA CBC 4. Bulgaria - Turkey IPA CBC 5. Greece - Albania IPA CBC 6. Greece - Former Yugoslav Republic of Macedonia IPA CBC 7. Hungary - Serbia IPA CBC 8. Hungary - Croatia 9. Romania - Serbia IPA CBC 10. Slovenia - Croatia 	<ol style="list-style-type: none"> 1. Black Sea Basin ENPI CBC 2. Estonia-Latvia-Russia ENPI CBC 3. Hungary-Slovakia-Romania-Ukraine ENPI CBC 4. Italy-Tunisia ENPI CBC 5. Karelia ENPI CBC 6. Kolarctic ENPI CBC 7. Latvia-Lithuania-Belarus ENPI CBC 8. Lithuania-Poland-Russia ENPI CBC 9. Mediterranean Sea Basin ENPI CBC 10. Poland-Belarus-Ukraine ENPI CBC 11. Romania-Ukraine-Moldova ENPI CBC 12. South-East Finland-Russia ENPI CBC

Source: INTERACT (2016)

This dual EU-funding structure established in 2007-2013 **was generally maintained for 2014-2020**. The new orientations for cooperation at the EU external borders were prepared in partnership with stakeholders and beneficiaries, while building on experience from the previous period. This is particularly evident in case of the ENPI, where feedback from cross-border stakeholders, the ENPI mid-term review, the mid-term evaluation of ENPI CBC programmes and other reviews of external assistance were used to pinpoint issues to be considered in the future.

Box: Lessons learnt from ENPI

Issues to be considered in 2014-2020

Land border programmes involving more than two partners create additional political challenges.

Multi-country programmes face a governance challenge with the involvement of multiple stakeholders from different levels of different governments.

If important countries in a Sea Basin do not participate, the ability of Sea Basin programmes to address common challenges (e.g. environmental) is reduced.

Most effort and funding should focus on populations close to the border to maximise cross-border impact.

for national and multi-country programmes and 5% for CBC programmes. See: http://ec.europa.eu/europeaid/funding/european-neighbourhood-and-partnership-instrument-enpi_en

⁶¹ INTERACT (2016).

⁶² See: European Neighbourhood and Partnership Instrument (2007 – 2013) <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=URISERV%3Ar17101>.

A more focused approach to thematic/sectoral priorities within programmes increases impact and efficiency and reduces high levels of failed applications for funding.

More coherence with ETC priorities and programmes, including thematic priorities, would be an advantage.

Moving to full shared management (where possible) would be of benefit.

Source: EuropeAid, 'Programming of the European Neighbourhood Instrument (ENI) 2014-2020', p. 10-11

The legal framework for cooperation at EU external borders in 2014-2020 is primarily established by the new regulations governing the two external financial instruments of the EU.

There are also many complementary provisions in the new ETC Regulation⁶³ to encourage participation of overseas countries or territories in ERDF supported Cooperation Programmes at the EU internal borders and to maximise coordination between the ERDF and the external policy funding instruments implemented in these areas (i.e. European Development Fund (EDF)).

(1) **IPA II**⁶⁴ is governed by three regulations that were adopted in 2014⁶⁵. These define the scope and modalities for pre-accession assistance up to 2020.

IPA II has a budget of EUR 11.7 billion for 2014-2020. Assistance from IPA II should pursue a number of Specific Objectives (Article 2, IPA II Regulation) and address five policy areas (Article 3, IPA II Regulation) in order to

- achieve political reforms in beneficiary countries (i.e. strengthen democratic institutions and the rule of law, reform the judiciary and public administration, respect fundamental rights and promote gender equality, tolerance, social inclusion and non-discrimination)⁶⁶;
- enhance the economic, social and territorial development of beneficiary countries to help attain the targets of Europe 2020⁶⁷;
- strengthen regional integration and territorial cooperation by involving beneficiary countries and EU Member States and, where appropriate, third countries⁶⁸.

IPA programmes offering internal assistance to eligible non-EU countries can select from thirteen Thematic Priorities (from *a* to *m* in Annex II of the IPA Regulation). IPA territorial

⁶³ In particular Article 3(1) and Article 3(4) - Article 3(6) relating to geographic coverage, Article 4(4) – Article 4(9) relating to resources for ETC, Article 8(5)(a) relating to the content, adoption and amendment of Cooperation Programmes, Article 13(4) relating to beneficiaries and Article 20 relating to eligibility of operations in Cooperation Programmes depending on location.

⁶⁴ See: ENPI and enlargement negotiations, overview- Instrument for pre-accession Assistance. http://ec.europa.eu/enlargement/instruments/overview/index_en.htm

⁶⁵ The IPA II Regulation (EU) No. 231/2014 came into force on 16 March 2014 and is applicable retroactively from 1st January 2014. The IPA II Regulation is complemented by two other regulations: The Common Implementing Regulation (EU) No. 236/2014, which defines a set of simplified and harmonised implementing rules and procedures for all external action instruments, and the Commission's Implementing Regulation for IPA II (EU) No 447/2014.

⁶⁶ IPA II Regulation (EU) No. 231/2014, Article 3(1)(a) reforms in preparation for Union membership and related institutional and capacity building.

⁶⁷ IPA II Regulation (EU) No. 231/2014, Article 3(1)(b) socio-economic and regional development, point (c) employment, social policies, education, promotion of gender equality, and human resources development and point (d) agriculture and rural development.

⁶⁸ IPA II Regulation (EU) No. 231/2014, Article 3(1)(e) regional and territorial cooperation.

Cooperation Programmes for providing assistance to non-EU countries can select from seven Thematic Priorities (from *a* to *h* in Annex III). The latter are similar to the Thematic Objectives in the CPR. This Annex also specifies the modalities for participation in other territorial cooperation and support programmes (i.e. ERDF supported interregional and transnational cooperation; ENI supported CBC)⁶⁹.

Box: Thematic Priorities for IPA CBC programmes

Thematic Priority **a**: promoting employment, labour mobility and social and cultural inclusion across borders through, *inter alia*: integrating cross-border labour markets, including cross-border mobility; joint local employment initiatives; information and advisory services and joint training; gender equality; equal opportunities; integration of immigrant communities and vulnerable groups; investment in public employment services; and supporting investment in public health and social services;

Thematic Priority **b**: protecting the environment and promoting climate change adaptation and mitigation, risk prevention and management through, *inter alia*: joint actions for environmental protection; promoting sustainable use of natural resources, resource efficiency, renewable energy sources and the shift towards a safe and sustainable low-carbon economy; promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems and emergency preparedness;

Thematic Priority **c**: promoting sustainable transport and improving public infrastructures by, *inter alia*, reducing isolation through improved access to transport, information and communication networks and services and investing in cross-border water, waste and energy systems and facilities;

Thematic Priority **d**: encouraging tourism and cultural and natural heritage;

Thematic Priority **e**: investing in youth, education and skills through, *inter alia*, developing and implementing joint education, vocational training, training schemes and infrastructure supporting joint youth activities;

Thematic Priority **f**: promoting local and regional governance and enhancing the planning and administrative capacity of local and regional authorities;

Thematic Priority **g**: enhancing competitiveness, the business environment and the development of SMEs, trade and investment through, *inter alia*, promotion and support to entrepreneurship, in particular SMEs, and development of local cross-border markets and internationalisation;

Thematic Priority **h**: strengthening research, technological development, innovation and information and communication technologies through, *inter alia*, promoting the sharing of human resources and facilities for research and technology development.

Source: IPA II Regulation, Annex III

The most important novelty of IPA II is its focus on strategic planning. Country Strategy Papers are made for each beneficiary-country for the seven-year period. This encourages stronger ownership from beneficiaries through integrating their own reform and development agendas. A Multi-Country Indicative Strategy Paper addresses the priorities for regional and

⁶⁹ IPA II Regulation (EU) No. 231/2014, Annex III: '*IPA II funding may also finance, as appropriate, the participation of beneficiaries listed in Annex I in transnational and interregional CPs under the ERDF support to the European Territorial Cooperation goal and in CBC programmes under the ENI. In those cases, the scope of the assistance shall be established in accordance with the regulatory framework of the relevant instrument (being either the ERDF or the ENI).*'

territorial cooperation that were prepared by the Commission after a consultation process involving different stakeholders⁷⁰ and a strategic dialogue with the European Parliament.⁷¹ Another novelty of IPA II is that more weight is given to performance measurement through indicators agreed with beneficiary countries, which will help in assessing the extent to which the expected results have been achieved.

IPA assistance for regional and territorial cooperation may finance multi-country or horizontal actions as well as cross-border, transnational and interregional cooperation actions⁷², including implementation of Union macro-regional strategies. For territorial cooperation, Annex III of the IPA II Regulation sets out Thematic Priorities for CBC assistance.

Under this overall framework, IPA II will support three types of cross-border programmes in 2014-2020: (a) programmes with EU Member States, (b) programmes with countries covered by the ENI and (c) programmes at the intra-Western Balkan borders. The IPA II Multi-Country Indicative Strategy Paper envisages 12 cross-border programmes with EU Member States⁷³. These will receive an ERDF contribution of EUR 242 million for the participating Member States. Furthermore, IPA II beneficiaries are eligible to participate in four 'multifund' transnational Cooperation Programmes: Danube Area, Adriatic-Ionian, Mediterranean Area and Balkan–Mediterranean. As the geographical scope of the Danube and Adriatic transnational programmes matches that of the corresponding macro-regional strategies, these programmes will also support implementation of the strategies including their governance structures⁷⁴.

(2) ENI was established by Regulation (EU) No 232/2014⁷⁵ (ENI Regulation) and continues to be the main means for implementing European Neighbourhood Policy. ENI builds on previous achievements of ENPI and has a budget of EUR 15.4 billion for 2014-2020. The vast majority of ENI funding is used for bilateral cooperation, which is tailored to each neighbourhood partner country through ENP Action Plans. To complement these bilateral Cooperation Programmes, ENI also supports regional, neighbourhood and CBC programmes⁷⁶.

The overall orientation of CBC under ENI is defined by Title III of the ENI Regulation (Articles 8-12), while specific provisions for implementing cross-border programmes are set out in a separate Commission Implementing Regulation⁷⁷. To ensure efficient delivery of future CBC programmes, these implementing rules were prepared in a strategic document⁷⁸ by the DG for development and cooperation (EuropeAid) in close consultation with EU Member States and reflect lessons from the former ENPI experience (see above). Assistance from ENI for

⁷⁰ National IPA Coordinators, EU Delegations, civil society organisations, Member States and other donors, International Financial Institutions as well as international and regional organisations, in particular the Regional Cooperation Council.

⁷¹ European Commission, DG Enlargement (2014), p. 4.

⁷² IPA II Regulation (EU) No. 231/2014, Article 3 (4).

⁷³ IPA II cross-border programmes with EU Member States: (1) Croatia-Bosnia and Herzegovina-Montenegro; (2) Italy-Albania-Montenegro; (3) Croatia-Serbia; (4) Hungary-Serbia; (5) Romania-Serbia; (6) Bulgaria-Serbia; (7) Bulgaria-the former Yugoslav Republic of Macedonia; (8) Bulgaria-Turkey; (9) Greece-the former Yugoslav Republic of Macedonia; (10) Greece-Albania; (11) Greece-Turkey; (12) Cyprus-Turkey.

⁷⁴ European Commission, DG Enlargement (2014), pp. 25-26.

⁷⁵ Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.

⁷⁶ See: 'European Neighbourhood Policy – What is it?

http://ec.europa.eu/enlargement/neighbourhood/overview/index_en.htm.

⁷⁷ Commission Implementing Regulation (EU) No 897/2014 of 18 August 2014 laying down specific provisions for the implementation of CBC programmes financed under Regulation (EU) No 232/2014 of the European Parliament and the Council establishing a European Neighbourhood Instrument.

⁷⁸ European Commission, DG Development and Cooperation - EuropeAid (no date mentioned).

CBC is now modelled on the principles of ERDF supported ETC, but is also adapted to the specificities of EU external relations (i.e. where applicable, ENI procedures are harmonised with ERDF supported ETC)⁷⁹. This involves a major change, because EU Member States and Partner countries have more responsibility for management, control and audit. Another novelty, also based on lessons from ENPI, is that programmes can develop their own rules for awarding grants⁸⁰.

The above mentioned document provides the strategic framework for EU support for cross-border cooperation on the external borders of the EU financed by ENI. The strategic programming group agreed that future programming would split the former trilateral Estonia/Latvia/Russia, Poland/Lithuania/Russia and Romania/Ukraine/Moldova programmes into bilateral programmes. The strategic objectives for cooperation are also set out in the above-mentioned document, which includes eleven Thematic Objectives from which the programme partners must select a maximum of four.

Box: Thematic Objectives for ENI CBC programmes

Thematic Objectives for ENI CBC programmes

1. Business and SME development
2. Support for education, research, technological development and innovation
3. Promotion of local culture and preservation of historical heritage
4. Promotion of social inclusion and fight against poverty
5. Support for local and regional good governance
6. Environmental protection, and climate change mitigation and adaptation
7. Improvement of accessibility to the regions, development of sustainable and climate-proof transport and communication networks and systems
8. Common challenges in the field of safety and security
9. Promotion of and cooperation on sustainable energy and energy security
10. Promotion of border management border security and mobility
11. Other areas not listed above likely to have a substantial cross-border impact (case by case justification required)

Source: EC – DG DEVCO (no date mentioned), 'Programming document for EU support to ENI CBC 2014–2020', p. 18-19.

CBC shall be allocated up to 5% of the ENI budget in 2014-2020 (ENI Regulation, Article 17). Cooperation programmes at EU external borders are established between EU Member States and neighbourhood partner countries (and/or the Russian Federation as an 'other CBC participating country') sharing a land or maritime border. These programmes shall promote integrated and sustainable regional development and cooperation between neighbouring border areas and harmonious territorial integration across the Union and with neighbouring countries.

ENI will finance 17 territorial Cooperation Programmes in 2014-2020 with 12 land border programmes and one sea crossing programme as well as four sea basin programmes. Of these, 16 are ENI cross-border programmes that will receive an ERDF contribution of EUR 634 million⁸¹. The seventeenth programme is the multifund Baltic Sea Region programme

⁷⁹ See: 'European Neighbourhood Policy and Enlargement Negotiations – Cross-border Cooperation'. http://ec.europa.eu/enlargement/neighbourhood/cross-border-cooperation/index_en.htm.

⁸⁰ European Commission, DG Development and Cooperation - EuropeAid (2014), p.65.

⁸¹ Land border programmes: (1) Kolarctic/Russia, (2) Karelia/Russia, (3) Sweden/Finland/Russia, (4) Estonia/Russia, (5) Latvia/Russia, (6) Lithuania/Russia, (7) Poland/Russia, (8) Latvia/Lithuania/Belarus, (9) Poland/Belarus/Ukraine, (10) Hungary/Slovakia/Romania/Ukraine, (11) Romania/Moldova, (12)

where ENI – as mentioned in point 5 of section 2.2 - will contribute as a co-financing instrument.

Most land and sea border programmes from EPNI 2007-2013 are continuing, although some trilateral land border programmes have been split and a new Mid-Atlantic sea basin programme covering Spain, Portugal and Morocco will be established⁸².

Romania/Ukraine. Sea-crossing programme: (13) Italy/Tunisia. Sea-basin programmes: (14) Black Sea, (15) Mediterranean, (16) Mid-Atlantic.

⁸² European Commission, DG Development and Cooperation - EuropeAid (no date mentioned), pp. 17-18.

3. STRATEGY IN THE NEW ETC PROGRAMMES

KEY FINDINGS

- ETC programmes **selected a limited number of Thematic Objectives and Investment Priorities**. This shows a clear concentration of financial resources on specific issues and development priorities at cross-border level.
- **Cooperation programmes mostly address issues related to smart and sustainable growth**, i.e. Thematic Objective 6 (environment and resource efficiency), Thematic Objective 1 (research, development and innovation) and Thematic Objective 7 (sustainable transport). Issues related to inclusive growth are mainly considered in a cross-cutting perspective.
- **CBC and Transnational programmes have very similar strategic choices**.
- In comparison with the preceding period, **a majority of programmes introduced changes in their intervention strategy** by narrowing the number of intervention sectors or introducing new and more focused ones.
- All analysed IPA CBC programmes selected **Thematic Priority b, related to environment, climate change, risk prevention and mitigation, as well as Thematic Priority d, for tourism and natural and cultural heritage**. None of these programmes mentioned priorities related to research and development. The **two ENI programmes focus on SMEs**, but do not mention the issues related to transport, environment and energy.
- **Programmes provided a clear analysis of needs and challenges as a justification for the strategy** (Thematic Objectives and Investment Priorities) and for the formulation of the Specific Objectives. External borders and new Member States, as well as factors such as a lack of homogenous data, limited the quality of territorial analysis. Ex-ante evaluations played an important role in ensuring that programmes clearly articulated their intervention logic.
- **New requirements for an indicator system represent a particular challenge for ETC programmes**. Identification of result indicators and definition of baselines are particularly difficult, due to the transnational dimension of programmes, while the common output indicators proposed for ETC are sometimes not well suited to capture what operations should achieve, especially with for coastal and maritime areas.

Programme strategic priorities are defined through their selection of **Thematic Objectives** – and for IPA CBC programmes, they are based on **Thematic Priorities** (see section 2.2).

A key element introduced in the new programming period is the **thematic concentration** (Article 6 of ETC Regulation), according to which Cooperation Programmes have to concentrate at least 80% of the ERDF allocation to at most four Thematic Objectives. The strategic choices have to be justified based on an analysis of specific cooperation needs identified in the cooperation area (Article 8(2) of the ETC Regulation).

This chapter uses information from the programme review and interviews with stakeholders to analyse strategic choices made by Cooperation Programme authorities, their matching of identified needs and the selected Thematic Objectives, as well as the relevance of budgetary allocations.

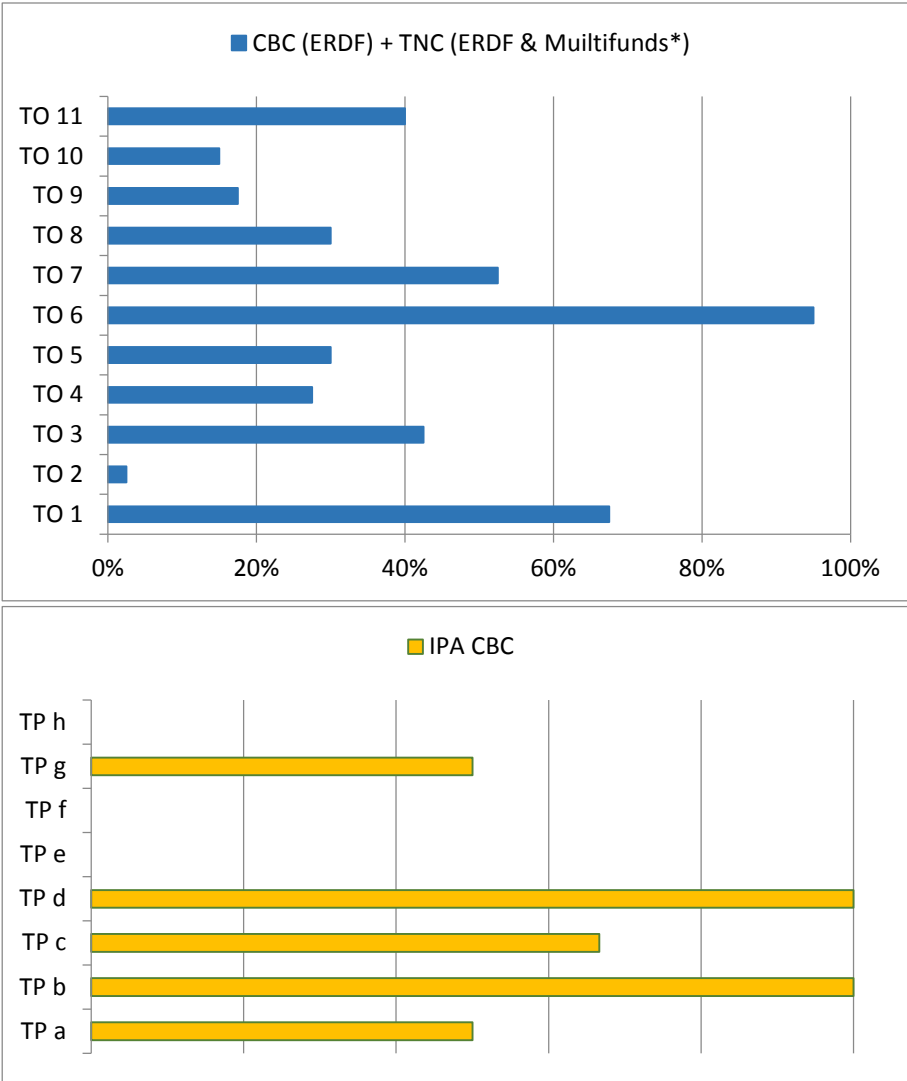
3.1. Strategic choices and thematic concentration in ETC programmes

The analysed ETC programmes implemented within EU territory cover all the Thematic Objectives proposed in the regulatory framework. **Both cross-border and transnational programmes concentrate on environmental and research innovation related objectives.** Thematic Objective 6 (*environment and resource efficiency*) and Thematic Objective 1 (*research, development and innovation*) are selected by 95% and 65% respectively of the programmes.

The attention towards environmental activities is confirmed for IPA CBC with all the analysed programmes selecting Thematic Priority b (*environment, climate change mitigation and risk prevention*) and Thematic Priority d (*tourism and cultural and natural heritage*).

The two programme documents for ENI CBC programmes analysed reveal a strong focus on SME development (Thematic Objective 1), Education and R&I (Thematic Objective 2) and Social inclusion (Thematic Objective 4) which were selected by both programmes. Neither selected environmental, transport and energy related objectives.

Figure 4: Thematic Objective and Thematic Priority selected by the programmes



Source: based on Cooperation Programmes' documents
Note (*) Transnational programmes co-financed by IPA II or ENI

Of the programmes implemented within EU territory:

- 86% selected Investment Priority 6c '*conservation, protection and promotion of natural and cultural heritage*';
- 70% Investment Priority 1b '*promoting business investment in R&I, developing links and synergies between enterprises, research and development centres and the higher education sector*';
- 54% Investment Priority 6d '*protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure*';
- 45% Investment Priority 7c '*developing and improving environmentally-friendly (including low-noise) and low-carbon transport systems, including inland waterways and maritime transport, ports, multimodal links and airport infrastructure, in order to promote sustainable regional and local mobility*'.

Analysis of the programme documents and interviews with programme authorities **show that strategic choices for 2014-2020 changed** from the previous programming period (2007-2013). 60% of the programme documents refer to strategic changes. Modifications are mostly linked to a focus on fewer sectors as required by the regulations (the spectrum of intervention has narrowed), but some are also linked to new and more focused sectors of intervention (e.g. CBC Slovenia – Austria introduced a new Priority Axis drawing attention to R&D&I compared to its previous emphasis on competitiveness; IPA CBC Romania – Serbia established a new Priority Axis entirely focused on tourism).

Analysis of the budget allocation **reveals that programmes have over-complied with the requirement for thematic concentration**. Indeed, the programmes allocated more than 80% to four or fewer Thematic Objectives other than technical assistance, *inter alia*:

- 6 CBC programmes allocate up to 90% per cent of their budget to four or fewer Thematic Objectives;
- 20 CBC programmes allocate up to 94% per cent of the available budget to four or fewer Thematic Objectives. More specifically, CBCs for Slovenia, Austria and France, and the UK select only 3 Thematic Objectives; CBC Slovenia – Hungary concentrates all resources on promoting an attractive and cooperative region: Thematic Objective 6 (environment and resource efficiency) and Thematic Objective 11 (institutional capacity). CBC programme PEACE implemented between Northern Ireland and five UK regions concentrates 94% of resources to *Promoting Peace and reconciliation* under Thematic Objective 9 (social inclusion);
- 4 transnational programmes allocate up to 90% of the resources to four or fewer Thematic Objectives;
- 6 transnational programmes allocate up to 94% per cent to four or fewer Thematic Objectives (CBC programme North West Europe selects only three Thematic Objectives).

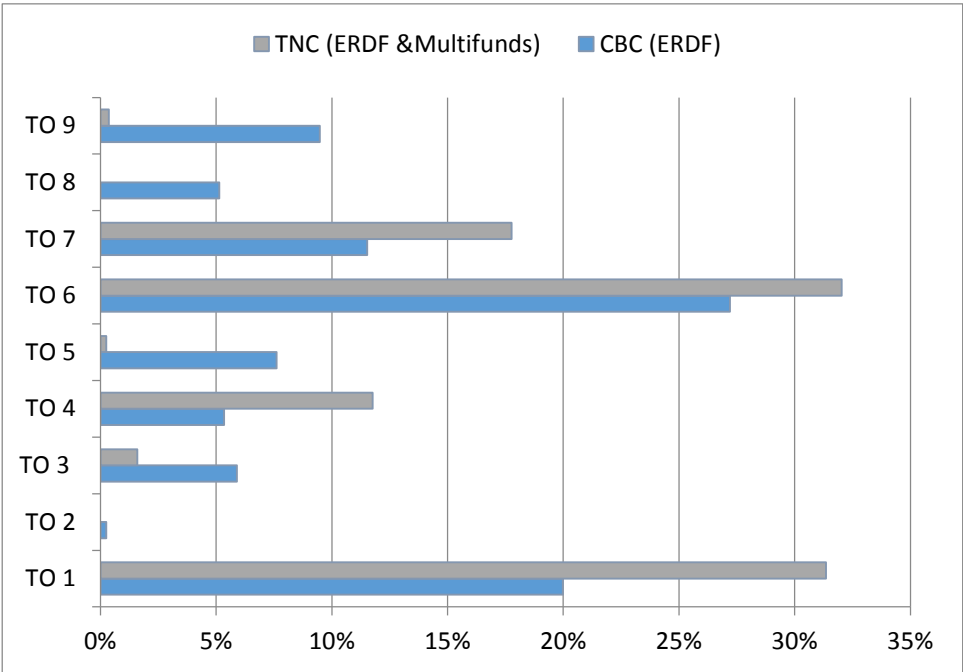
Analysis of the budget distribution between the different Thematic Objectives and Thematic Priorities generally confirms the data in Figure 4. On the whole, the ETC programmes (see Figure 5) allocate a major part of the ERDF budget to the most often selected Thematic Objectives: Thematic Objective 6 (environment and resource efficiency) and Thematic Objective 1 (research, development and innovation). Thematic concentration is particularly high for the Transnational Cooperation programmes, with more than 80 % of the budget

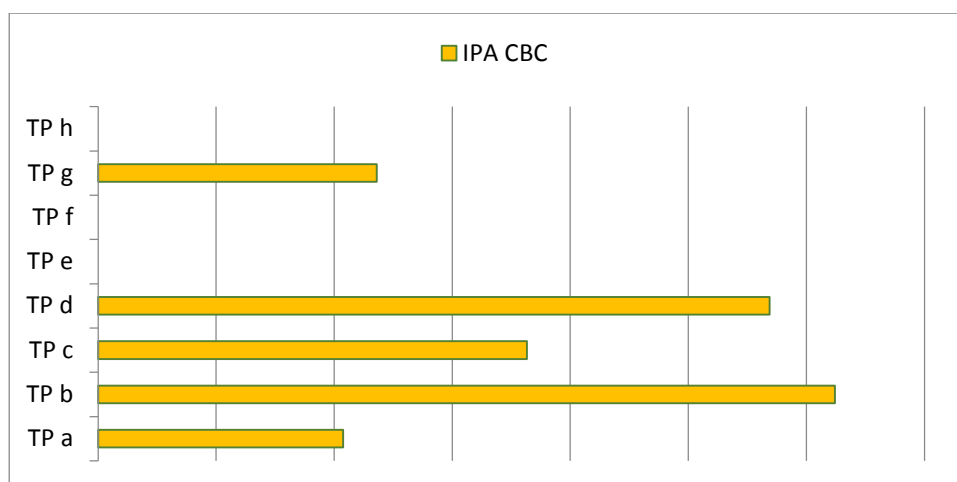
concentrated on Thematic Objective 6 (environment and resource efficiency), Thematic Objective 1 (research, development and innovation) and Thematic Objective 7 (sustainable transport). These Thematic Objectives are the most relevant in terms of budget allocation also for CBC programmes at EU internal borders (59% of the budget). In this latter case it is interesting to note that 14% of the budget is also dedicated to Thematic Objective 8 (employment and labour mobility) and Thematic Objective 9 (social inclusion).

In the six IPA CBC programmes, more attention is dedicated to Thematic Priority b (environmental protection and climate change adaptation) with 31% of the Union support through IPA II and ERDF, and to Thematic Priority d (tourism and cultural and natural heritage) with 28% of the overall allocation. Individual programmes have greater financial concentration than required by regulation. Indeed, all the IPA CBC programmes allocate 90% of Union support to at most four Thematic Priorities. The IPA CBC Bulgaria–Turkey allocates 90% of the resources to only two Thematic Priorities.

There is a general tendency for Cooperation Programmes to focus efforts on topics related to smart and sustainable growth – in compliance with ERDF objectives - i.e. innovation and environment, whereas inclusive growth is considered as an issue cutting across the whole EU internal cooperation area. Further coordination between ERDF mainstream and Cooperation Programmes would be a major contribution to these objectives.

Figure 5: Budgetary allocations in ERDF CBC and Transnational Cooperation programmes





Source: based on Cooperation Programmes' documents

CBC programme authorities, such as the managing authority of CBC Sweden–Norway, declared that **regulatory requirements for thematic concentration** as well as the list of defined Thematic Objectives and investment priorities in the CPR and fund-specific regulations **provided the opportunity for the programme to be more focused and less broad**. Whereas in the case of transnational programmes (e.g. Transnational Cooperation Danube), it has been underlined that **thematic concentration requirements have represented a real hurdle, due to the need to identify a limited number of objectives that represent challenges across very large territories**.

3.2. Justification of the strategy

The 2014-2020 regulatory framework (Article 8(2)(a) of the ETC Regulation) requires programme authorities to justify strategic choices (selection of objectives and allocation of financial resources) on the basis of territorial evidence (evidence of specific needs and challenges that justify the selection and allocation).

From Cooperation Programme documents and ex-ante evaluations, it emerges that **the programmes have all provided, at least formally, a well-structured territorial analysis to justify the selection of Thematic Objectives**. In addition, the analysis shows that most of the programmes formulate Specific Objectives with a clear link to the needs.

In most cases, territorial analysis is synthesised with SWOT (Strength-Weakness-Opportunity-Threat) matrixes. Sometimes the needs and challenges are detailed in specific scoping studies. These were carried out towards the end of the 2007-2013 programming period and identified the key needs and challenges of the cooperation area (e.g. 2 Seas, France-Channel-England, Alpine Space or ENI MED). Programme authorities consider that **situation analysis commissioned at the end of the previous programming period was key** to ensure that strategies were based on sound territorial evidence and also met thematic concentration requirements.

Other key factors mentioned during the interviews were:

- **the involvement of local partners in drafting programmes**⁸³. Stakeholders were mainly involved through online consultations, workshops and meetings at national, regional and local levels. These involved mainly public bodies, SMEs, and sometimes also the EGTCs, but at times Non-Governmental Organisations and cross-border organisations were prominent (Baltic Sea transnational programme).
- **the role played by ex-ante evaluators**, which gave clear insight on the aspects that needed improvement in the programme setting.

Interviews highlight where programmes met difficulties during their territorial analysis. **A major difficulty was the lack of statistical and aggregated data at border level.** This particularly affected new programmes and programmes cooperating with either non-EU countries or new Member States.

BOX: Difficulties in territorial analysis

CBC programme Italy–Croatia

Difficulties in carrying out the territorial analysis were related to:

- limited reliable and aggregated data in a new Member State (Croatia);
- the extent of the territory covered by the programme, which includes areas with different development dynamics, such as development differences between the north and south of Italy), which make it particularly complex to identify common problems and cross-border challenges;
- limited data and information from the previous programming period, since the programme is new and the current cooperation area was part of a broader Cooperation Programme IPA ADRIATIC;
- limited data at NUTS 3 level, which makes it compulsory to refer to NUTS 2 or NUTS 1 level which frequently – especially in the Italian part of the cooperation area - do not capture all the specificities of the coastal areas.

Source: Interview with the managing authority of CBC programme Italy–Croatia.

3.3. Migration and security

Migration and security are of growing interest on the European agenda. A European agenda on migration was drafted by the Commission in May 2015⁸⁴ to bring together the steps needed for a coherent approach to the challenges of the refugee crisis. The agenda aims to address the migration flow better by:

- 1) reducing incentives for irregular migration;
- 2) border management – saving lives and securing external borders;
- 3) Europe's duty to protect: a strong common asylum policy;
- 4) a new policy on legal migration.

⁸³ As required in Article 5 of the CPR related to the partnership involvement in programming.

⁸⁴ EC (2015), Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A European Agenda on migration.

The agenda was further enhanced by operational, budgetary and legal measures issued by the Commission in September 2015⁸⁵ and the pilot action '*Interreg response to migration-related challenges*' proposed by Interact in 2016⁸⁶. Moreover, the General Affairs Council in its conclusions on November 2015, considered that '*Interreg programmes may support, in complementarity with other appropriate funding streams, to help respond to migration related challenges within the framework of existing programme priorities and agreed intervention logic*'.⁸⁷

Some projects financed by ETC programmes were working on integration measures already in the previous programming period. The programmes include Interreg IV A programmes 2 Seas (FR – UK – BE – NL) and the Oresund-Kattegat-Skagerrak (SE-DK-NO) as well as the Interreg IV C URBACT⁸⁸.

In the programmes, migration and security at cross-border level is seen in different ways. Some programme authorities did not consider migration and security, since at the time of the programme drafting, they were not a challenge (e.g. CBC South Baltic). In a few cases, security is considered as a relevant issue. Programme authorities foresee cooperation for police, criminal investigation and crime prevention (e.g. CBC Germany–Czech Republic) mainly because of persistent security deficits relating to drug dealing (i.e. possession of crystal meth is only a regulatory offence in the Czech Republic whereas in Germany it is a criminal offence). In transnational programmes (e.g. Transnational Adrion), stakeholders declared that even though there were no changes in the first call for proposals in February 2016, the invitation of the Commission to take into consideration issues such as security and Migration could be considered in future calls.

In cooperation at the EU external borders, some IPA and ENI programmes deal with security issues, especially for transport and border security. IPA programmes such as IPA CBC Italy–Albania–Montenegro foresees in Thematic Priority c (sustainable transport) the possibility for specific actions for '*a coordination mechanism with the responsible Italian authorities of the International Security Fund in order to increase the effectiveness of the intervention through complementarity programmes*'⁸⁹.

ENI CBC programme Finland–Russia (Karelia) integrates safety and security in its strategy through Thematic Objective 10 (border management, security and mobility).

⁸⁵ EC (2015), Managing the refugee crisis: Immediate operational, budgetary and legal measures under the European Agenda on Migration. See http://europa.eu/rapid/press-release_IP-15-5700_en.htm

⁸⁶ INTERACT (2016), Pilot action 'Interreg response to migration-related challenges' – Updated version: 2016-05-30.

⁸⁷ Council of the European Union (2015), Outcome of the Council Meeting 3427th Council meeting, General Affairs – Brussels, 17 and 18 November 2015, p. 12.

⁸⁸ EC DG Regio (2016), Supporting the integration of refugees and migrants through Interreg, Brussels, 23/05/2016.

⁸⁹ Programme document IPA CBC Italy-Albania-Montenegro 2014-2020, p. 65.

3.4 Stronger result-orientation and more efficient programme implementation

A major change in the 2014-2020 period – as described in section 2.1 - is the general requirement for more efficient programme implementation and stronger result-orientation in ESI Funds programmes.

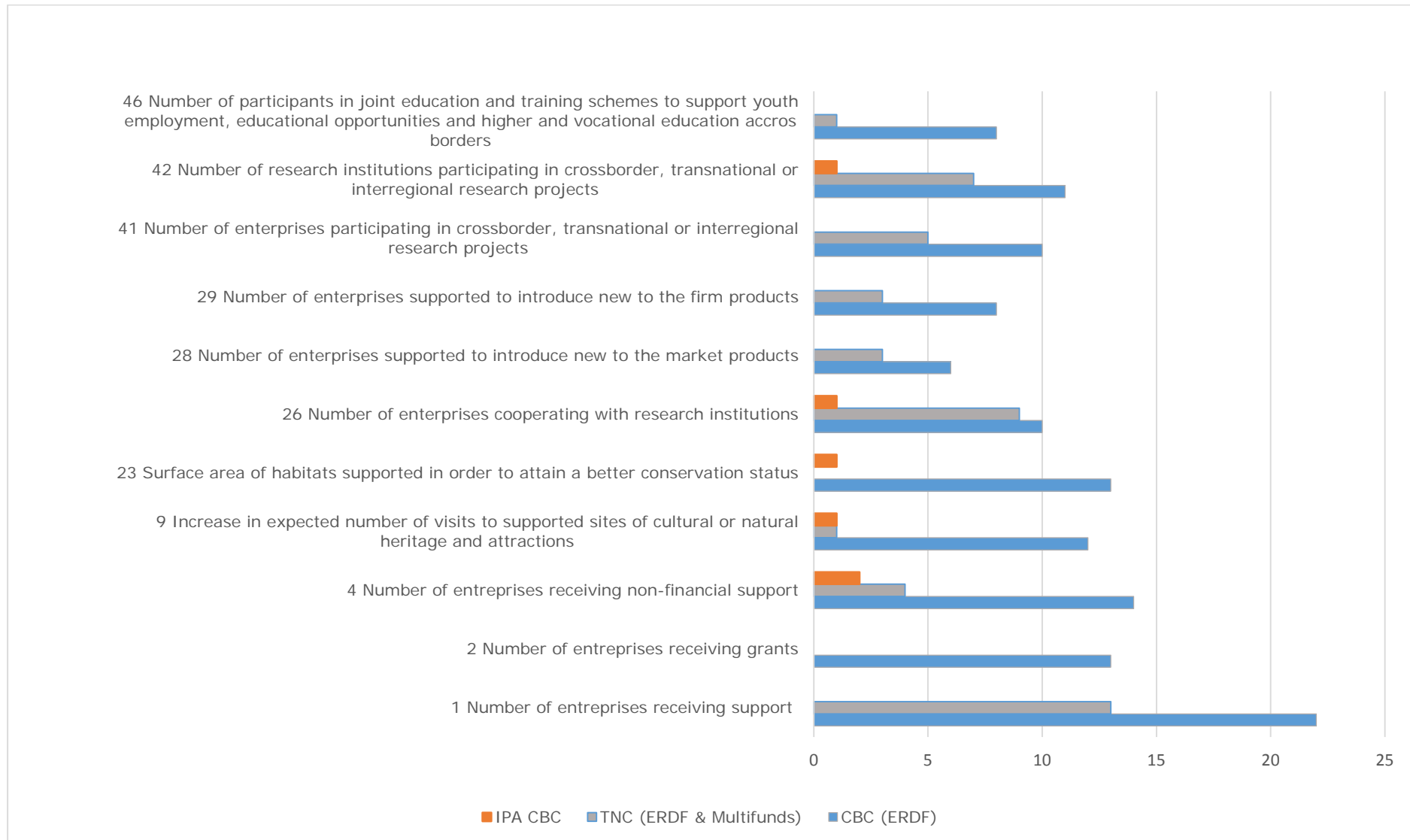
Increased attention is paid to more efficient programme implementation and a stronger orientation toward results. This requires programmes to better define in the programming phase, the specific dimensions of well-being and progress for people which motivate the policy action ('results'). Programmes must also have monitoring and evaluation systems that capture results that can be credibly attributed to the interventions being financed ('impacts').

The ETC programme documents all comply with these requirements. However, interviews with managing authorities highlight that **ensuring more efficient programme implementation and stronger result-orientation was challenging.**

Almost all the programmes **use common indicators**. The only exceptions are Transnational Cooperation programme Amazonia and CBC programme Greece–Italy.

However, despite extensive use of common indicators, interviews highlight that **common output indicators in ETC Regulation were generally perceived as too similar to ERDF mainstream indicators and did not always capture the specificity of the territorial cooperation.** Moreover, CBC programme Italy–Croatia and Transnational Cooperation programme Adrion stressed the lack of indicators for coastal and maritime cooperation areas.

Figure 6: Use of Common Indicators by internal ETC and IPA CBC programmes



Source: based on Cooperation Programmes' documents

The programmes also complied with regulatory requirements for the definition of expected results and the related result indicators.

Transnational programmes in particular and some cross-border programmes use qualitative result indicators measured through specific surveys (see the box below). Transnational programme authorities (e.g. Danube programme) consider that this is based on the peculiar characteristic of transnational cooperation, which covers more extended areas (as opposed to CBC) which makes it difficult to express targeted changes in specific quantitative terms.

Box: Result indicators in a transnational programme (Alpine Space Programme)

IP	Result indicator
1b	1. Level of maturity of framework conditions for generating innovation (repetition of innovation) processes among business, academia and administration
	2. Level of capacity of social organisations and public authorities to deliver innovation in the field of social services and services of general interest through transnational networking
4e	1. Level of Implementation of low carbon policy instruments
	2. Level of potential to access and use low carbon mobility and transport options
6c	1. Level of sustainable valorisation of cultural and natural heritage of Alpine Space
6d	1. Level of integration of the ecosystem services approach in the policy systems of Alpine Space
11	1. Level of application of multilevel and transnational governance in Alpine Space

Source: Transnational programme Alpine Space

Desk analysis highlights that **result indicators related to tangible achievement are used more by CBC programmes**. An example is the CBC programme Ireland–UK result indicator ‘Percentage of the shared transitional waters in the region with good or high quality’. CBC generally covers less extended areas than transnational and expected results are more easily specified. However, CBC programme authorities said that the definition of appropriate result indicators can present peculiar challenges, in particular because of a lack of data at NUTS 3 level. This was emphasised in new programmes such as CBC Italy-Croatia and IPA CBC Italy-Albania-Montenegro.

Box: Difficulties in adopting the ‘result-oriented’ approach

CBC programme DE – CZ

The new indicator system is very new under the DE(Bavaria)-CZ programme **and also represents a major challenge**, especially with regard to the result indicators. These are also **a non-negligible cost-factor**, mainly because baseline data for the quantitative result indicators (and later on, data on the change achieved) depend on external consultants. Several result indicators, already mentioned in the Cooperation Programme, were qualitative. There are more output indicators than under the 2007-2013, programme but **common output indicators are often not well suited to capturing what operations should achieve**. So there are more programme-specific output indicators.

Source: Interview with the managing authority of the CBC programme DE – CZ

4. SYNERGIES BETWEEN ETC PROGRAMMES AND OTHER PLANNING INSTRUMENTS

KEY FINDINGS

- **Although there is coherence between Thematic Objectives and EU instruments** outside Cohesion Policy, few Cooperation Programmes describe in detail specific approaches to realise synergies.
- **Synergies** with other policies are strongest between ETC programmes and other **Cohesion Policy funding instruments**, i.e. mainstream and other ETC programmes.
- **Coordination** seems to be **more advanced with ESI Funds programmes**, in particular with other ETC programmes. Ways of coordinating and the authorities involved are better specified than for other policies, where coordination is often mentioned only superficially.
- **Joint development plans or strategies are hardly mentioned** in ETC programmes. Even if they are cross-border, they are not necessarily linked to a (complete) ETC programming area.
- **Few programmes explicitly mention coordination with EGTCs**. If so, they are mostly referred to as potential beneficiaries.
- **Macro-regional strategies** are given a high priority on the political agenda and are included in the legal provisions of the ETC Regulation (Article 8(3)(d)). So principally, all programmes identify links to strategies overlapping with the programme area. **Contribution tends to be one-sided**, with Cooperation Programmes implementing the strategies. How to achieve synergies is specified to varying degrees.

Annex I of the CPR points out that programmes and actions funded under the ETC objective shall create synergies with other policies. In particular, ETC shall be complementary to and coordinated with actions of the Investment for growth and jobs goal. In line with the specific needs of the programme area, ETC and other ESI Funds shall be mobilised for the implementation of macro-regional and sea basin strategies. Finally, ESI Funds may also support other sector policies (e.g. European transport corridors, environmental management, innovation strategies) in the context of macro-regional strategies.

All these measures should contribute to the objectives of Europe 2020 through complementarity and coordination between the different policies, programmes and actions. This is furthermore complemented by deeper territorial integration through maximising synergies between ETC and the ENI as well as by using the EGTC legal instrument.

The following sections differentiate between the instruments for which cooperation is requested in the CPR. The analyses discuss whether and how ETC programmes intend to cooperate with other policies. This review does not include the perspective of other policies towards ETC programmes. So there is no verification that a coordination mechanism identified by an ETC programme is also mentioned in the programmes funded by other instruments.

4.1. Synergies and links with other instruments

According to Article 8(5)(a) of the ETC Regulation, ETC programmes are requested to set out mechanisms for ensuring effective coordination not only with other Cohesion Policy Funds but also with other EU and national funding instruments as well as ENI, EDF, IPA and the EIB. The following sections review synergies and links for these groups of instruments.

4.1.1. Other EU instruments

The large majority of Cooperation Programmes reviewed refer to other EU instruments. Only five of the programmes did not identify any link to other EU instruments. Among these are four CBC programmes, of which one is in an Overseas Country and Territory, and the PEACE programme⁹⁰, which has a specific focus. Most programmes identified links with two to five other instruments. None of the programmes claimed to have links with all other instruments. Links seem to be most seriously considered when applicable to programme strategy.

Figure 7 highlights links between CBC and transnational programmes and other EU instruments. There was no obvious significant difference between CBC and transnational programmes.

For most programmes **Horizon 2020 and LIFE seem to be the most important**. This is certainly a result of the high percentage of programmes (see section 3.1) that have formulated Specific Objectives within Thematic Objective 1 (research, development and innovation) and Thematic Objective 6 (environment and resource efficiency) respectively. Nearly all programmes referring to Horizon 2020 have selected Thematic Objective 1. Of the few who have not, most have selected Thematic Objective 3 (competitiveness of SMEs), which may be linked to innovation via competitiveness. Virtually all programmes with links to LIFE have selected Thematic Objective 6 and sometimes also Thematic Objective 4 (shift to a low carbon economy). Some programmes have selected Thematic Objective 6 (environment and resource efficiency) but have not indicated a link to LIFE.

Correspondingly, **fewer programmes selected Thematic Objective 7 (sustainable transport), as is the share of programmes recognising links to the Connecting Europe Facility (CEF)**. At the same time, more programmes deal with transport issues than recognise the link, which is an indication that **many Cooperation Programmes concentrate on transport themes not covered by CEF**. It seems that even if programmes have not identified all possible links, there is strong coherence.

Figure 7 also indicates that more than 40% of programmes have links to a total of ten instruments not specified in the figure. Of these, the Internal Security Fund⁹¹ and Creative Europe⁹² are the most mentioned. Others include the High-Growth and Innovations SME facility⁹³, the Risk Sharing Finance Facility⁹⁴, the EU Programme for Employment and Social Innovation⁹⁵, BONUS⁹⁶, NER300⁹⁷, and the Youth Employment Initiative⁹⁸.

⁹⁰ EU Programme for Peace and Reconciliation 2014–2020, Northern Ireland and the Border Region of Ireland.

⁹¹ Fund for the implementation of the Internal Security Strategy and consisting of two instruments.

See http://ec.europa.eu/dgs/home-affairs/financing/fundings/security-and-safeguarding-liberties/internal-security-fund-police/index_en.htm

⁹² A programme supporting the cultural and audio-visual sectors.

See http://ec.europa.eu/programmes/creative-europe/opportunities/index_en.htm

⁹³ One of several financing programmes for SMEs.

See http://ec.europa.eu/economy_finance/financial_operations/investment/sme/index_en.htm

⁹⁴ Another financing mechanism focusing on R&D projects.

See http://ec.europa.eu/invest-in-research/funding/funding02_en.htm

⁹⁵ A financing instrument at EU level promoting sustainable employment and social inclusion.

See <http://ec.europa.eu/social/main.jsp?catId=1081&langId=en>

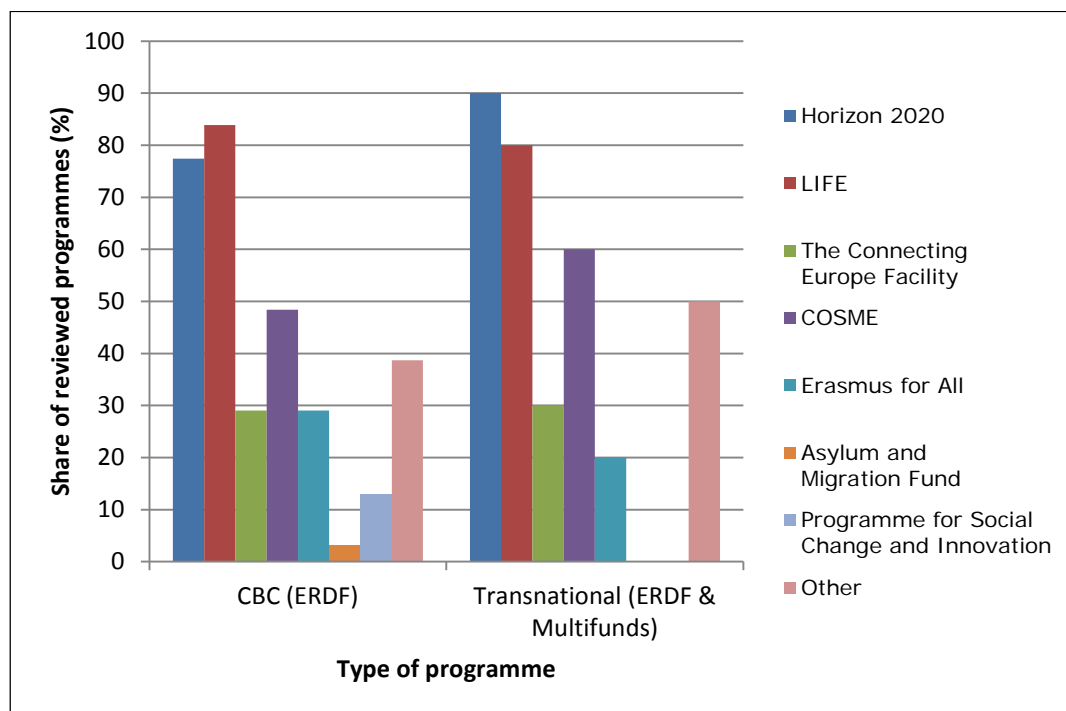
⁹⁶ A science programme for the Baltic Sea Region running from 2010-2017. See <http://www.bonusportal.org/>

⁹⁷ A financing instrument for support of innovative renewable energy technology and carbon capture and storage.

See <http://www.ner300.com/>

⁹⁸ Provides support to young people in regions with high unemployment to foster education and employment.

See <http://ec.europa.eu/social/main.jsp?catId=1176>

Figure 7: Share of reviewed ETC programmes referring to different EU instruments

Source: based on Cooperation Programmes' documents

Synergies can be realised through information exchange, institutionalised cooperation between programme authorities, or even common processes during implementation. Exchange of information without formal coordination mechanisms seems to be the most common cooperation mode. More than two thirds of the programmes refer to information exchange. While coordination between programme authorities is also considered by several programmes, very few use the same processes.

A few programmes want to coordinate with other EU instruments, but do not explain how this will be achieved. Finally, about one third of the programmes with links to other EU instruments take a more indirect approach. For these, projects have to clarify in their proposals that their actions do not overlap with actions financed under other instruments, or describe how they aim to achieve complementarity and synergies with other instruments detailed in the terms of reference for the respective call. While most programmes point out ways to coordinate, it still has to be seen to what extent their approaches will generate synergies.

Box: Thematic coordination with EU instruments

DIFFERENT COORDINATION APPROACHES

Coordination with Horizon 2020

The Interreg VA programme Slovenia-Austria envisages theme specific coordination with Horizon 2020. As a result, for preparation of the priority axis 'Strengthening Cross-border Competitiveness, Research and Innovation', a platform will bring together stakeholders from ESI Funds and Research Technological Development and Innovation policy in Austria. This includes the Ministry of Science and Research that is implementing Horizon 2020 and regional contact points responsible for Research Technological Development and Innovation policy, regional development strategies and European R&D measures at regional level.

Coordination for SME support

The CBC programme Italy-Switzerland foresees major coordination with other EU financing instruments for innovation, competitiveness of SMEs, creativity, environment and cross-border mobility. The programme authorities plan to achieve this coordination by putting particular emphasis on interventions offering incentives to enterprises and territories for participating in European programmes and by the dissemination of the results of projects funded under these programmes.

Key coordination measures across policy fields.

The Central Europe transnational programme defines three key measures for coordination with different EU instruments. Firstly, when submitting proposals, applicants are asked to describe coherence and complementarity with other Union instruments, highlighting the added value of transnational cooperation. Secondly, programme authorities seek exchange with and advice from Commission services and other European and national institutions involved in the instruments. Thirdly, communication tools and measures make the programme results available to thematic stakeholders of other EU instruments. This will also include the direct involvement of national contact points for these EU instruments in events organised by the transnational programme.

Source: 2014–2020 Cooperation Programmes Slovenia-Austria, Italy-Switzerland and Central Europe

4.1.2. ENI, IPA and EDF

The ENI and the IPA are implemented based on programming documents that comply with the specific regulations for these instruments (see section 2.3).

Coordination with these EU instruments is foreseen by only a few of the Cooperation Programmes reviewed. This is because many programmes are not close to pre-accession or neighbourhood countries. So only programmes with such neighbouring countries consider coordinating with ENI or IPA. At the same time, not all programmes close to ENI or IPA countries explicitly mention this type of cooperation.

The differences may be illustrated by four programmes in the Baltic and near Russia. While the Baltic Sea Region Programme and the South Baltic Programme explicitly mention coordination with ENI, the Northern Periphery and Arctic Programme as well as the Estonia and Latvia CBC programme do not refer to ENI. **No common approach to neighbouring countries has been followed by different programmes.**

Coordination with EDF is much more coherent in the programmes, although the EDF normative framework differs widely from the previous two⁹⁹. Only African, Caribbean and Pacific countries as well as overseas countries and territories are eligible for EDF. So it is not surprising that only a few of the programmes consider coordination with EDF to be relevant. All reviewed programmes located in Overseas Country and Territories mention links to the EDF. Only one other CBC programme does, namely the Greece-Italy Programme. Other programmes in the Mediterranean do not make such references.

⁹⁹ The EDF was launched in 1959 and is the main instrument of the European Union for providing support in the fields of economic, social and human development, and regional cooperation and integration to African and Pacific countries and to overseas countries and territories. It is implemented on the basis of a multiannual indicative resource allocation for each eligible country. Implementation depends not only on strategic documents of the eligible countries and regions but on joint programming with the Union and Member States. See https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments/european-development-fund_en.

Box: Institutionalised coordination between ETC and EDF**Development committee in West Africa, the Caribbean and Indian Ocean**

The authorities for programme areas in West Africa, the Caribbean and Indian Ocean responsible for the ERDF and EDF created a regional committee responsible for:

- exchanging information and ensuring communication on ERDF and EDF projects;
- monitoring the progress of projects co-financed by EDF or ERDF;
- valorising results of co-financed projects by either of the two funds;
- supporting project development;
- defining information tools such as a contacts directory, a dedicated web page on the websites of various programs, etc.;
- developing tools highlighting the advantages of financial instruments and their compatibility with EDF and ERDF.

Source: CBC programme Saint Martin-Sint Maarten 2014-2020

Ways of coordinating are, generally speaking, similar to those for other EU instruments in the previous section. For most programmes seeking ENI and/or IPA synergies, coordination between authorities is considered as important as information exchange. This may result from the stronger similarity between ETC, ENI and IPA programmes compared with the other instruments mentioned before. Few Cooperation Programmes seek cooperation with ENI, IPA or EDF, which may be why hardly any forms of coordination other than information exchange, cooperation among authorities and common processes could be identified.

The intention to coordinate seems strongest for programmes in Overseas Countries and Territories. In addition to information exchange and coordination between authorities, these programmes also highlight joint selection processes. This is visible through the role of the EDF and ERDF coordination development committee, based on a Memorandum of Understanding with the European Commission to facilitate the coordination of programmes in West Africa, the Caribbean and Indian Ocean.

4.1.3. EIB and national funding instruments

Given the variety of options for Cooperation Programmes to coordinate with other programmes and instruments, focus in many programmes is less explicit on coordination with the EIB and/or national and regional funding instruments compared with other EU programmes and ESI Funds.

Only about half the programmes explicitly refer to national or regional instruments and only about a quarter do so for the EIB, though such coordination still matters for the programmes. Perhaps the choice not to use financial instruments when formulating the programmes made this less important than coordination with other EU instruments or cohesion policy programmes. Considerable effort may be needed to ensure that all relevant policies are included in cross-border or transnational Cooperation Programmes.

Box: Implicit reference to national instruments

The Alpenrhein-Bodensee-Hochrhein programme

While the programme generally refers to effective coordination between different funds, policies and national funding instruments, as laid out in the regulation, details focus on instruments that are not national or regional. In addition to programme specific coordination activities, there is a 'general coordination at the level of countries'. In this context, the Cooperation Programme highlights the authorities responsible in participating countries without detailing synergies with their national and regional instruments.

Source: CBC programme Alpenrhein-Bodensee-Hochrhein 2014-2020

Cooperation programmes at EU internal borders do not intend to use financial instruments (see section 6.2), so it is not surprising that only a few explicitly mention synergies with the EIB. Financial instruments were discussed in a few programmes (e.g. Italy-Croatia, Italy-Malta and Adrion) but they are not always mentioned in the programme document if the decision to not use them was made before approval of the programme (e.g. North-West Europe).

Nevertheless, several programmes indicate the potential to cooperate with the EIB when preparing investments, with proposed support to beneficiaries of EIB funding. However, very few programmes describe the role of the ETC programme in more detail. One example is the Romanian-Bulgarian CBC programme.

Box: Synergies between ETC and EIB

The Romanian-Bulgarian CBC programme

'In terms of coordination mechanism, the RO-BG 2014-2020 cross-border programme can be used to finance preliminary technical studies but also to provide knowledge and capacity and to reach a sufficient number of relevant stakeholders in order to prepare medium-large scale projects that could be further financed through other funds such as ESI, EIB and national funds. Therefore, the RO-BG 2014-2020 cross-border programme could contribute to the elaboration of mature projects ('bankable') that could benefit from financing through the EIB initiatives such as the 'Joint Assistance to Support Projects in European Regions' (JASPERS), an instrument supporting large scale investments prepared by cooperation projects especially in the transport sectors. Coordination with the EIB can be fostered by providing one-to-one support to projects with outputs and results, suitable to be implemented with EIB support, helping in the early stages of contacting and exchanging with EIB offices. In any case, information on opportunities, offered by the EIB for financing large-scale projects, can be provided during the info events and through communication materials. Indeed, the preparation of medium-large scale investments could represent an important output of the RO-BG 2014-2020 cross-border Programme.'

Source: CBC programme Romania-Bulgaria 2014-2020

Coordination with national and regional funding instruments is most often explicitly mentioned in programmes that include Member States from Northern and Western Europe (e.g. Scandinavian or Benelux countries). This includes both cross-border and transnational programmes. This finding may be partially related to the role of European funding resources and the availability of regional or national resources outside EU programmes and instruments. Typically, programmes that include Member States with a

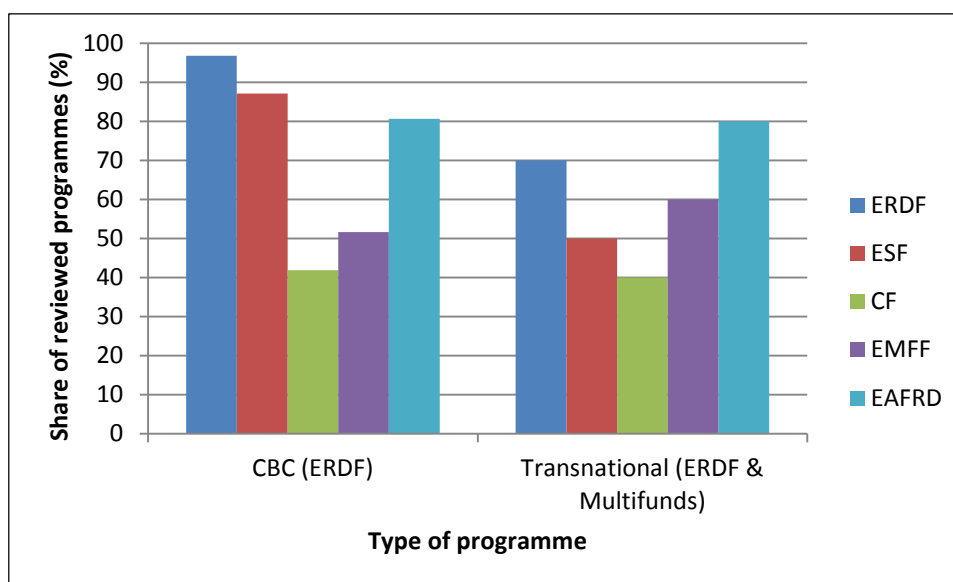
strong history of funding instruments themselves indicate corresponding coordination. In some cases, coordination in certain fields (e.g. innovation) is explicitly mentioned.

The forms of coordination again focus strongly on information exchange rather than more intensive or institutionalised coordination. Similar to coordination with other EU instruments, some programmes expect projects to assess coherence and complementarity with national instruments. This may be either in the proposal or later during the evaluation of a project. Coordination through the same or common processes is not foreseen in any programme reviewed. This hints at the **different logic and responsibilities of national instruments and ETC programmes, which may make coordination more difficult.**

4.2. Synergies with mainstream Cohesion Policy programmes

Synergies and coordination are most strongly sought with other Cohesion Policy programmes – including ETC and mainstream programmes of different funds. As indicated in Figure 8, **links with ERDF, European Social Fund and European Agricultural Fund for Rural Development programmes are mentioned by the vast majority of programmes reviewed.** The share of transnational programmes seeking coordination with different mainstream programmes appears to be slightly lower with CBC programmes, but there is no significant difference. The pattern between the different funds is also very similar.

Figure 8: ETC programmes referring to mainstream programmes



Source: based on Cooperation Programmes' documents

The comparatively few references to the Cohesion Fund and the European Maritime and Fisheries Fund can be explained by geographical relevance. About 80% of the programmes, including areas at least partly eligible for the Cohesion Fund, referred to corresponding coordination and synergies. Similarly, the link to the European Maritime and Fisheries Fund is considerably higher when considering only ETC programmes near maritime and fishery areas. **Potential synergies with national and regional programmes are rarely explained in detail. So, the potential for capitalising on synergies is not yet visible.** One exception is the Slovakia-Hungary CBC programme.

Box: Synergies between ETC and national and regional programmes

The Slovakia-Hungary Cooperation Programme

In addition to mentioning the authorities responsible for coordination and their corresponding tasks, the Cooperation Programme also stresses theme specific links. **All themes covered by the CBC programme were reviewed to see the extent to which these themes were covered by other programmes.**

These included the Hungarian Economic Development and Innovation OP, the Hungarian Territorial OP, nine Slovakian mainstream OPs, the Rural Development Programmes of both countries, the Hungarian Integrated Transport Development OP and the Slovakian Integrated Infrastructure Development OP to mention just a few. There is a comparison of target investment priorities, potential overlaps, differences and potential complementarities for each priority axis of the CBC programme.

Source: CBC programme Slovakia-Hungary 2014-2020

Almost all these ETC programmes mention coordination and synergy with other ETC areas. **The only exceptions are programmes in Overseas Countries and Territories and outermost regions with no corresponding geographical neighbourhood** (Saint-Martin/Sin Maarten and Amazonia) and one of the CBC programmes (Slovakia- Hungary). At the same time, the level of detail concerning other ETC programmes differs considerably. About three quarters either list the names of other Cooperation Programmes or make an explicit reference to the geographic area for coordination. The remainder list them either only partially, e.g. mentioning transnational but not CBC programmes, or do not specify names at all. **Transnational programmes usually make a general reference**, which is not surprising given the large variety of CBC programmes in their cooperation area.

As with descriptions of other EU instruments and policies, **informal coordination is more important with other ESI Funds programmes, whether national, regional or ETC programmes.** Similarities in programme set-up lead to expectations of more coordination and more similar processes among programme authorities, than with other EU instruments and policies. Similar processes are the most often mentioned type of coordination for ETC programmes. This is often referred to as **using Interact activities that help to harmonise ETC implementation processes.** The cooperative nature of ETC programmes makes it more evident for them to collaborate with each other than with regional and national programmes. Coordination between ETC programmes can be through the **same authorities being members or observers in monitoring committees for several ETC programmes.**

Synergies and cooperation between ETC programmes may be motivated by geographical neighbourhood (e.g. overlapping areas) or by similar thematic themes and objectives. **If interests differ, coordination tends to be less formal and intensive than between programmes with common interests.**

Box: Coordination intentions between ETC programmes**GEOGRAPHICAL AND THEMATIC SIMILARITIES****Bavaria-Czech Republic and Poland-Saxony programmes**

The Bavaria-Czech Republic programme has a lively informal exchange with other neighbouring cross-border programmes (i.e. DE/Bavaria-AT & DE-AT-CH-LI), mostly by e-mail and phone. Any more proactive approach to cooperation is limited because of different context settings and interests.

The Poland-Saxony programme collaborates strongly with the other two German-Polish CBC programmes because of their similarity. In addition, exchange of experience with other ETC programmes (including beyond the German-Polish border area) is considered helpful for developing documents and procedures and learning about good practices.

Stronger centralisation of the management of ETC programmes in Poland also created the opportunity for enhanced coordination between these programmes. These apply the same processes for applications, project evaluation, implementation and finalisation.

Source: Interviews and CBC programme Poland-Saxony 2014-2020

While **ETC programmes** sometimes foresee common agreements or joint action, such as support for sustainable development (see chapter 5), they **do not highlight synergies with existing joint (cross-border) development strategies**. This raises the question whether these do not yet exist in cooperation areas across borders, whether strategies are limited to individual projects, or whether synergies exist but are not necessarily linked to ETC programmes. The following examples illustrate why joint development strategies may not be mentioned explicitly in the programmes when seeking synergies and coordination.

Box: Joint Development Strategies**CODE24 corridor strategy**

CODE24 was a bottom-up strategic initiative under the Interreg IVB North West Europe programme. The project highlighted the interconnection between economic development with spatial, transport and ecological planning along the Rhine-Alpine TEN-T core network corridor. The project addressed capacity, sustainability and quality of life issues in the area. One output was a common strategy for the future development of this corridor encompassing regions from Northern Italy to the Netherlands. This is a case of a joint strategy achieved by an ETC project rather than by seeking synergies with existing strategies. The strategy is not mentioned in the North West Europe Cooperation Programme 2014-2020.

Similarly, the 2 Seas CBC programme (involving France, UK, Belgium and the Netherlands) also aims at formulating common or joint agreements for more sustainable development in the context of project development.

Future concept ODER-REGION 2030

Within the German–Polish Spatial Planning Commission an initiative was started in 2014 to develop a strategy for the German-Polish border area as a whole. This strategy will strengthen the cooperation area on a European scale. Furthermore, this strategy will improve coordination between different funding strategies after 2020. The process is at an early stage, which may explain why it has not yet been considered in the CBC programmes in the area.

Future Lower Oder Valley

Another example of a joint strategy not mentioned in a CBC programme is the cross-border action plan of the Lower Oder Valley in the northern German-Polish border area. The region represents a small area within the Mecklenburg-Vorpommern/Brandenburg/Poland CBC programme. The cross-border action plan was a joint effort at municipal level realised up to summer 2014 and was financed under LEADER. However, the CBC programme covers a much larger territory than the Lower Oder Valley municipalities' cooperation.

Source: CODE24 (2014: One corridor – One strategy); 2014–2020 Cooperation Programmes North West Europe; 2 Seas; LAG Uckermark (2014: Charrette. Gemeinsam neue Wege gehen)

4.3. Application of the EGTC instrument

The EGTC was introduced as a legal instrument to promote and improve territorial cooperation in Europe in 2006. Though it is a separate legal instrument and not part of Cohesion Policy legislation, the instrument can support ETC activities. This can be seen in the links between the corresponding regulations.

With the adoption of ESI Funds regulations for 2014-2020, links between EGTC and Cohesion Policy were strengthened, in particular with ETC¹⁰⁰. This raises the question of the extent to which ETC programmes will apply EGTC and coordinate with EGTCs in 2014-2020. A detailed review of links was conducted for the European Parliament study – 'EGTC as an instrument for promotion and improvement of territorial cooperation in Europe'. The analysis took EGTCs as a starting point and researched how much consideration they received from Cohesion Policy programmes. It concluded that the EGTC instrument is so far rarely used for the management and implementation of ETC programmes. Nevertheless, many EGTCs see the potential to contribute to Cohesion Policy objectives.

Analysis of coordination between ETC programmes and EGTCs, searching ETC programmes for references to EGTCs, confirms this finding. Only seven make any reference to EGTCs. Apart from one case, these references only indicate that EGTCs may be beneficiaries or sole beneficiaries of their programme. **The only exception is the Greater Region CBC programme¹⁰¹, which was managed by an EGTC in the 2007-2013 programming period.** For 2014-2020, a new EGTC with a leaner structure takes over as managing authority of the Greater Region programme.

4.4. Link to macro-regional and sea basin strategies

Article 8(3)(d) of ETC Regulation explicitly requests that Cooperation Programmes in which Member States and regions participate in macro-regional and sea basin strategies describe how they aim to contribute to the respective strategy objectives, while taking into account the needs of the programme itself. The formulation of the regulation thus suggests that synergies and coordination between ETC programmes and macro-regional and sea basin strategies need to be pointed out by ETC programmes, rather than vice versa.

¹⁰⁰ European Parliament (2015), p.21.

¹⁰¹ Cross-border cooperation programme involving France, Belgium, Germany and Luxembourg.

ETC Regulations have been strictly followed by Cooperation Programmes. **The links to macro-regional and sea basin strategies have been explicitly addressed by the majority of programmes.** More than two thirds share at least part of their area with a macro-regional strategy and most of the remainder are in areas linked to sea basin strategies. Indeed, only the IPA CBC programme Bulgaria-Turkey did not mention contributions to an existing macro-regional strategy in this respect. The programme takes into account influences on the cross-border area of the programme, including the Danube region due to its spatial proximity and major environmental influences. At the same time, it is stressed that neither the European Union Strategy for the Danube Region (EUSDR) nor the European Union Strategy for the Adriatic and Ionian Region (EUSAIR) directly address the cross-border area. This is not an ETC but an IPA II programme. The IPA II Regulation indicates in Article 9(5) that a contribution to a macro-regional strategy is possible under IPA II. However, the IPA II Regulation does not request an explicit reference, which may explain why this IPA CBC programme only refers to the EUSDR and EUSAIR as above. On the other hand, the main objective of the IPA instrument is to facilitate the eligible countries in their pre-accession phase, and not to enhance cooperation. For this purpose, the countries' bi-lateral agreements are more crucial than IPA cooperation provisions.

Box: Limiting synergies between ETC programmes and macro-regional strategies

THEMATIC AND GEOGRAPHICAL DIFFERENCES

The transnational North West Europe programme

This Cooperation Programme for 2014-2020 highlights its territorial overlaps with the Atlantic Sea Basin strategy and the EUSDR. However, the programme currently does not foresee any formal coordination mechanisms.

The programme does not focus on maritime issues, so there is insufficient thematic coherence for closer cooperation with the Atlantic Sea Basin.

Only a very small part of the programme area coincides with the area covered by EUSDR. However, potential contributions to both strategies are highlighted even if they may be small.

European Union Strategy for the Alpine Region is not mentioned in the programme, which may be due to its state of development the programme was developed.

Source: CBC programme NWE 2014-2020

In addition, **other Cooperation Programmes also indicate contributions to macro-regional strategies that are being discussed but are not yet established.** Examples are the Spanish-French POCTEFA CBC programme that refers to the Atlantic Arc and potential Mediterranean Strategy and the Greek-Cyprus programme that also mentions the latter.

Some transnational programmes are highly coherent with macro-regional strategies and were adapted to them territorially. These are the Baltic Sea transnational programme adapted to the European Union Strategy for the Baltic Sea Region, the Danube transnational programme adapted to the EUSDR and the Adrion transnational programme adapted to the EUSAIR. The Thematic Objectives and the resources allocated to these Thematic Objectives clearly define the contribution to macro-regional strategies. Support is generally focused on capacity building for the authorities implementing the strategies, such as the National Contact Points and the Thematic Steering Groups. Thus, the scope of transnational programmes to contribute to macro-regional strategies may be limited to non-investment actions.

Cross-border programmes contribute to macro-regional strategies through links between the Thematic Objectives and Investment Priorities, and the strategy objectives. This applies to ERDF CBC programmes as well as to IPA CBC programmes.

Information exchange is mainly from ETC programmes to macro-regional strategy committees. Programmes often also foresee coordination between authorities. Additional forms of coordination are listed below.

- Links created through actions of different Specific Objectives. While in some programmes the links are mentioned only generally, in others, potential contributions according to priority axes or Specific Objectives are specified.
- In some programmes, project applicants need to clarify the contribution to macro-regional strategy.
- In some programmes the macro-regional strategy thematic coordinators can play an important role in ensuring better coordination with Cooperation Programmes.
- If responsibilities for macro-regional strategies and ETC programmes lie with different ministries, inter-ministerial committees may need to be established.
- Finally, and more generally, some programmes detailed working relationships between strategy stakeholders and programmes, though without explaining how to achieve this relationship.

Box: Good examples of coordination with macro-regional strategies

The Danube transnational programme

The Danube transnational programme not only points out which priority axes may contribute to implementation of EUSDR but also highlights which Priority Areas of the strategy will be covered within which Specific Objective of the transnational programme. For instance, the Specific Objective to 'Improve the institutional and infrastructural framework conditions and policy instruments for research & innovation to ensure a broader access to knowledge for the development of new technologies and the social dimension of innovation' within investment priority 1.b is expected to contribute to Priority Areas 07 (knowledge society), 08 (competitiveness) and 04 (water quality). This type of specification is made for all Specific Objectives of the transnational programme.

To foster coordination between the programme and the strategy, there were several coordination meetings during the programming phase. These complemented more continuous involvement of EUSDR stakeholders in preparation of the programme. During implementation, governance arrangements, including national committees, ensure ongoing information exchange as well as coordination with national contact points and priority area coordinators. Furthermore, the programme will support EUSDR governance with finance and a facility for direct support. Strategic EUSDR-relevant projects will receive small-scale financial assistance. The monitoring system will also include a specific EUSDR category to identify projects.

The IPA CBC programme Italy-Albania-Montenegro

The Programme and EUSAIR cover the same geographical area. EUSAIR documents have been taken into account during programme drafting to ensure convergence and coherence between topics, actions, results and outputs of the programme and macro-regional strategy. Both instruments rely on an integrated approach, and the Cooperation Programme will develop projects implementing EUSAIR strategy. To maximise the programme's impact on implementation of EUSAIR, EUSAIR governing bodies will be continuously involved, e.g. in drafting calls for proposals, evaluating strategic projects and in the Joint monitoring committee.

Source: 2014–2020 Cooperation Programmes: transnational Danube & IPA CBC Italy-Albania-Montenegro

5. ETC PROGRAMME MANAGEMENT STRUCTURES

KEY FINDINGS

- The uptake of simplifications for programme management highlights that **there are opposing arguments on how to limit the administrative burden.**
- A little more than **half the programmes introduced new management elements to streamline their governance processes**, as proposed by the regulation.
- The other **half kept their management structures** from previous periods with minor changes **to secure continuity and limit the need for new skills.**
- **Partners have been more involved in the development of programmes than in previous periods, although this is not always explicitly mentioned.** Many programmes included a dual approach in which wider partnerships were consulted in Member States and Member States are represented at programme level during the implementation phase.
- **Public authorities have the largest representation in the partnerships.**
- If partner involvement is mentioned, **most partners are expected to be involved as members of the monitoring committee.** The involvement of partners in programme implementation is, however, described in very few programmes.
- **E-cohesion has been widely introduced in 2014-2020 ETC programmes**, to reduce administrative burden for beneficiaries. Sometimes national requirements or conditions have required programme authorities to use specific reporting and monitoring systems. Most programmes make use of the harmonised implementation tools developed by INTERACT. **Simplified Cost Options are deemed to reduce financial management costs** in particular for beneficiaries, but also in relation to administrative procedures for verification and audit.

The CPR, part four, chapter 1 includes different management and control mechanisms for ESI Funds to reduce administrative burden. These may be challenging for Interreg programmes, especially Articles 123, Designation of Authorities and 125, Functions of the managing authority. These cover coordination between management bodies of the ETC programmes, i.e. management authority, certifying authority, audit authority, joint secretariat and Member States.

This chapter discusses new elements in the CPR and ETC Regulation. These include rules on the designation of authorities and organisation of programme management authorities, specificities regarding implementation of the partnership principle and multi-level governance and the adoption of e-cohesion.

The assessment shows that the majority of programmes have addressed these new elements by including them or by maintaining existing structures. The different reasoning is highlighted by reviewing the uptake of each new element individually. **Programmes that introduced new elements perceive them as simplification, whereas programmes that largely maintained their management structures foresaw additional administrative burden due to new skills being required.**

5.1. Designation and organisation of programme management authorities

The 2014-2020 regulatory framework provides rules for programme management and control systems. The main bodies responsible for programme management are the managing authority and the joint secretariat. The certifying and audit authority and the monitoring committee are in charge of programme control.

The main changes entail the designation of authorities and the possibility for managing authorities to assume the tasks of the certifying authority (Article 123 of CPR and Article 21 of ETC Regulation). Merging managing authority and certifying authority should result in more efficient and effective monitoring and accounting systems for the programmes.

Another major change involves the functions of the managing authority where Interreg programmes may adopt specific rules on verification (Article 125(4)(a) of the CPR). Each Member State and, if relevant, third country or territory shall designate a body or person responsible for verifications in relation to beneficiaries on its territory in case verifications are not carried out or fall under the responsibility of the managing authority (Article 23(4) of the ETC Regulation). These are 'controller(s)'. They can be the same bodies carrying out verifications for Cooperation Programmes under the Investment for growth and jobs goal (Article 23(4) of the ETC Regulation).

Programme authorities have different perceptions as to whether the introduction of new programming and implementing rules for governance structures and monitoring lead to simplification or whether this leads to challenges.

Interviews (see Annex) show that programmes that introduced the most changes perceive them as simplification, making processes faster and more efficient. Other programmes maintained their overall structure. These perceive parts of the regulation as simplification, including a better flow of information, but implementing other elements would have increased complexity. Specific administrative, institutional and political frameworks are crucial for determining any change to the designation and organisation of managing authorities. The elements perceived as challenges are programme-specific.

Nevertheless, it is worth mentioning the CBC programme Indian Ocean, in the outermost regions. One of the main changes of this programming period is the involvement of third countries in the monitoring committee, which constitutes a further challenge because it means getting 11 national governmental level representatives together for monitoring committee meetings.

The main results concerning simplified management and control structures are summarised in Table 5 below. **For 57% of the programmes maintaining the same authorities ensured institutional stability and continuity between programming periods**, to limit the acquisition of new staff or skills needed with the new management options in the regulations. New authorities are appointed especially in a new programme with a fundamental change of rules or when the eligible area changes considerably. **Programmes that changed programme authorities are often in South East Europe**. Examples include the CBC programme Slovenia-Croatia, due to a change from an IPA to ERDF, the South East Europe transnational programme that was split into the transnational programmes Danube, Adrion and Balkan Mediterranean, and the IPA ADRIATIC CBC, which has been split into several IPA and ERDF CBC programmes in the current programming

period. Most of the changes in the programmes are small and based on experience from previous programming periods.

Table 5: Reviewed Cooperation Programmes that introduced simplified management and control structures

Programme	Authorities unchanged	Managing authority assumes the role of certifying authority	Verification functions carried out by the managing authority
CBC	59%	32%	57%
Transnational Cooperation	50%	40%	40%
Total Interreg	57%	34%	53%

Source: based on Cooperation Programme documents

Changes in programme authorities differ.

- Responsible institutions in the same country change, for example CBC Slovakia-Austria, when Slovakia changed the ministry responsible;
- The Member State hosting the responsible institution changes, for example CBC Poland-Saxony (Germany), where the joint secretariat moved from Germany to Poland, to support the merger of managing authority and certifying authority in Poland. A national contact point in Germany will support the joint secretariat;
- There is a different procedure for setting up a joint secretariat. 37% of the Cooperation Programmes did not have procedures for setting up a joint secretariat in the last programming period. This includes new programmes that will set up their joint secretariat after consultation with partner states under the responsibility of the managing authority;
- The managing authority and certifying authority merge. In 34% of the programmes, the managing authority assumed the certifying authority tasks. This was a large share of the general changes in management structures reported. From the Cooperation Programmes that reported a change in programme authorities compared to the 2007-13 period, 69% indicated that the managing authority assumed the certifying authority tasks.

Programme authorities justify merging or maintaining separate managing and certifying authorities by the need to minimise administrative burden. On the one hand, programmes that separate managing and certifying authorities ensure continuity of management systems, setting up new processes is perceived as increasing administrative burden. The Danube programme even made the division of tasks clearer. On the other hand, programmes see added value in having the managing authority also certifying, to make processes more efficient and effective, reducing administrative burden, as mentioned by a representative of the South Baltic cross-border programme.

According to programme authorities for the transnational Central Europe programme, the process for reimbursing beneficiaries will be faster than in the 2007-13 period. IPA CBC Romania–Serbia specifies this by adding that the processes of verification and first level control have been streamlined, as it involves one less authority.

The functions of managing authorities are set out in Article 25 of the CPR, and Article 25(4) specifies that Interreg programmes may establish specific rules on verification. As presented in Table 5, in 53% of the programmes the managing authority will carry out the verification functions. Where this is not the case, processes ensure coherence between Member States. This may lead to additional administrative burden, as highlighted in the ex-ante evaluation of the CBC programme Estonia-Latvia.

In the Slovak-Austrian cross-border programme, the managing authority will ensure that the national controller function complies with EU regulation as well as any national provisions. In the South Baltic, the managing authority provides minimum standards and gives practical guidance to ensure coherence among systems and controllers from all participating countries. In the Poland-Saxony (Germany) programme, both Member States establish and ensure the functioning of national systems for first level control to verify and certify expenditure. The joint secretariat records and verifies information on the progress of a project, including measures, outputs, results and financial progress and is also responsible for the final control of project implementation, checking whether disbursement requirements are fulfilled.

Coordination of programme control can be between different ESI Funds in one Member State, or between different Cooperation Programmes. Both have their advantages and disadvantages. On the one hand, coordination between ESI Funds, including Cooperation Programmes, might lead to more harmonisation within the Member State. On the other hand, specific institutional and political frameworks from the other Member States might be overlooked. Coordination between different Cooperation Programmes may not be able to use national systems set up for other ESI Funds.

Controllers are often involved in the management of other ESI Funds programmes as well, either under the Investment for Growth and Jobs or ETC goals. In general, the programmes do not always explicitly mention if programme authorities are also involved in other programmes. However, **33% of the programme authorities are also involved in other programmes**. This indicates that many but not all programmes seek management synergies. Based on experience, more programme authorities are involved in other programmes.

Box: Motivation for changing governance structures

The Danube transnational programme

This programme developed its governance and management structure to ensure continuity with its predecessor, the South East Europe programme, while at the same time looking for innovation, simplification and a separation of functions reflecting the programme's transnational character. Experience from the South East Europe programme helped design the new structure. The programme authorities said that establishing management structures was one of the main challenges to be clearly defined before focusing on more concrete elements, such as results-orientation.

Management of this programme is challenging. The large number of stakeholders requires more coordination. The transnational programme covers areas from 14 different countries, both non-EU and Member States. To limit the influence of individual national interests and to maintain a focus on transnational issues, the programme authorities established a structure with relatively independent programme authorities.

Therefore, one authority now hosts the joint secretariat and the managing authority, the Hungarian Ministry for National Economy. This makes programme management more effective. Furthermore, it demands less capacity and speeds up implementation. Members of the monitoring committee, representing national authorities responsible for the Danube

programme, are the central contact points for the managing authority for all enquiries related to programme implementation in the participating countries. Consequently, national contact points will carry out verifications according to Article 23 of the ETC Regulation.

In comparison with the South East Europe programme, the Danube programme describes relations between the programme authorities, including the managing, certifying and audit authorities, as well as the monitoring committee, more clearly, especially the division of tasks. Programme authorities tailored the management and coordination between themselves and the numerous Member States to their needs. More guidance from the European Commission would have been appreciated, especially concerning the challenge to set up well functioning but not too demanding management structures for programmes covering more than one Member State. The regulations are perceived as being focused on Investment for Growth and Jobs programmes.

Source: interview with the managing authority and transnational Danube programme documents

5.1.1. Management structures for IPA and ENI programmes

IPA and ENI programmes have specific management arrangements complying with rules for Member States and third countries (see section 2.3). The management arrangements are clearly described in nine of the programmes making use of either of the two instruments. Of these nine programmes, seven describe specific national arrangements for public procurement, control and audit.

The IPA CBC Croatia–Bosnia Herzegovina–Montenegro has several levels of financial control. National first-level controllers verify expenditure, after which the joint secretariat and the managing authority control the financial reports.

The IPA CBC Romania-Serbia seems to have the most simplification with new governance arrangements and faster implementation processes. Although there is more flexibility, different authorities have different interpretations of the same things, especially for public procurement. The joint secretariat of this programme had long discussions with the audit authority over how to interpret the rules and establish a clear procedure. National authorities tend to look at the most restrictive interpretation of procurement laws.

Six of the nine programmes specifically describe the roles of authorities and five describe the designation of authorities. This designation was perceived as challenging by the IPA CBC programme Italy-Albania-Montenegro, despite experience from being National Delegated Authority for the CBC programme Greece-Italy. The real challenge has been to adapt to new regulatory requirements for the definition of the different authorities and the capabilities of staff involved.

5.1.2. Managing the programme with the use of EGTC

Article 22 of the ETC Regulation offers the possibility for Interreg programmes to establish an EGTC for management of the programme. This legal instrument allows institutions under public law to cooperate across Member States and to act in one name by providing a legal personality. The added value of an EGTC can be greater transparency and visibility of the structure, better democratic legitimacy with the general assembly, and easier access to tendering and acquisition procedures.

The sample of adopted programmes for this study includes one ETC programme (CBC ERDF) for which an EGTC is the managing authority. The *Grande Région* cross-border programme

was established as an EGTC under Luxembourg law and has two members, the Regional Council of Lorraine (FR) and the Ministry of Sustainable Development and Infrastructure (LU). This is considerably fewer than the original 11 members representing all regions and Member States. The EGTC was founded in 2010 and will remain in place until official closure of the 2007-13 programme. The EGTC has legal and financial responsibility, including the recruitment of project managers and staff of the joint secretariat. The non-national structure of the EGTC increases its neutrality and balances the opinions of the Member States¹⁰².

5.2. Partnership principle and multi-level governance

The partnership principle and multi-level governance have been strengthened in the legislative framework for ESI Funds. According to Article 5 of the CPR, each programme is required to set up a partnership with regional and local authorities including:

- urban and other public authorities,
- economic and social partners,
- bodies representing civil society, including environmental partners, NGOs and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

Based on provisions in Article 5(3) of the CPR, a European Code of Conduct on Partnership¹⁰³ has been set up, supporting and guiding programme authorities to ensure that all partners are represented at all stages of the programme cycle, for programming, implementation, monitoring and evaluation.

Apart from describing partner involvement in the Cooperation Programme, Interreg programmes shall set out and assess the involvement of partners in the implementation, monitoring and evaluation stages in their 2017 and 2019 annual implementation reports, following Article 14(4)(c) and 15 of the ETC Regulation.

In general, **programme authorities agree that the involvement of partners has strengthened** compared with previous programming periods, with more involved in the development of the programmes. This finding does not, however, specify **the extent to which the quality of the partnership has developed**. Methods to involve partners have largely been based on experience from previous periods.

The type and number of partners involved in programming activities differ strongly for each of the programmes. The majority of programmes describe the different types of partners involved during development of the programme. Some include an extensive list of partners involved at different programming stages, varying from 30 to more than 2 000 partners.

Programme authorities acknowledge that the number of partners involved in the drafting phase was higher than was reported in the Cooperation Programme document. Due to the large numbers of partners, from multiple countries, programme authorities did not include the full list. Programmes have set up different systems to manage the large number of partners during development. For example, the Danube transnational programme uses a dual approach based on experience from the South East Europe programme. At Member State level, many partners from different organisations and bodies are involved; at programme level the Member States are represented. In addition,

¹⁰² European Parliament (2015), 'European Grouping of Territorial Cooperation as an instrument for promotion and improvement of territorial cooperation in Europe'.

¹⁰³ European Commission (2014a), 'The European code of conduct on partnership'.

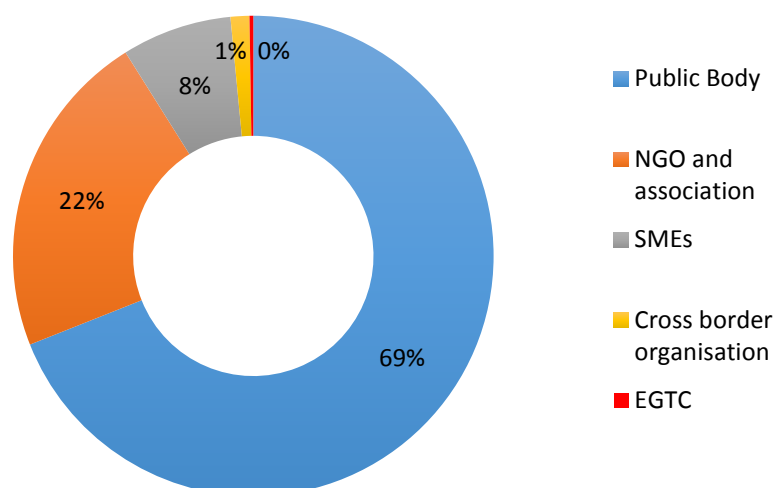
programme development included public consultation covering the full area and different types of organisations.

Most of the partners in the drafting phase represent public authorities, followed by NGOs, associations and SMEs (see Figure 9). The majority of partners were involved in consultation, when the types of partners were more balanced. More SMEs were involved in programmes selecting Thematic Objectives 1 or 3. The share of NGOs and associations tends to be larger for programmes selecting Thematic Objectives 6 or 8.

The share of specific cross-border organisations, including EGTC, is remarkably low. Most of the cross-border organisations involved in the development of programmes were in the Baltic Sea Area. Programmes in this region might benefit from the many (thematically-oriented) cross-border organisations, compared with other areas in Europe. There is a long and strong history of CBC in the Baltic.

EGTCs are only mentioned as one of the partner organisations in Two Seas, Slovakia-Hungary, Slovenia-Hungary CBCs and the transnational programme Central Europe. EGTCs are particularly widely used by Hungarian players¹⁰⁴.

Figure 9: Type of partners involved in developing Cooperation Programmes*



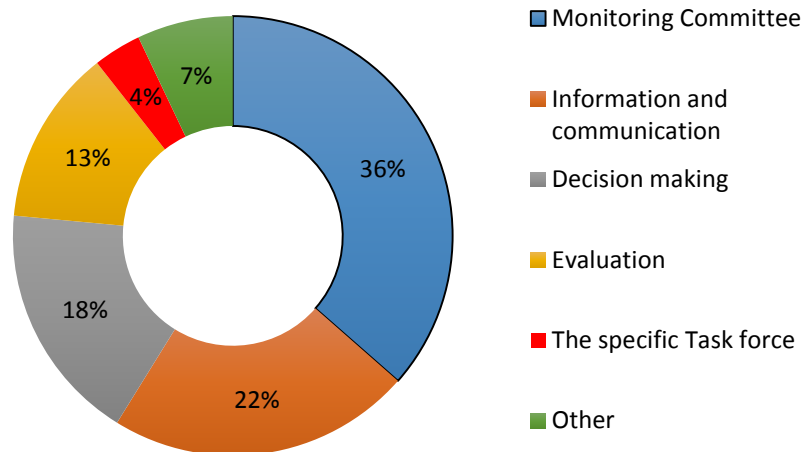
Source: based on Cooperation Programmes' documents

Note: *The number of partners is not always explicitly mentioned in the programme document. The breakdown by type of partner is based on cases where the numbers of partners were explicitly mentioned.

The expected involvement of partners in implementation is described in the programmes only to a very limited extent. Most programmes describe a continuation of balanced representativeness during implementation, contributing to ownership and ensuring transparency. Most partners are expected to be involved in the monitoring committee (as in the figure below). Partners will also communicate activities, decision-making and evaluation.

¹⁰⁴ European Parliament (2015).

Figure 10: Envisaged partner involvement during implementation*



Source: based on Cooperation Programmes' documents

Note: * Multiple modes of involvement are possible.

The Baltic Sea Region programme details partner involvement during implementation. Representatives from both national and regional levels in participating countries will form the monitoring committee. In addition, even broader involvement of the regional and local level, as well as economic, research and social partners and non-governmental organisations will be ensured through national sub-committees in all participating countries. This will ensure the participation of civil society in implementation. Each country will inform the managing authority or joint secretariat about their national sub-committee's composition, chairman, availability and, where applicable, rules of procedure.

Box: Partner involvement during programme implementation

The Italy-Croatia cross-border programme

This programme expects partners to enhance ownership of the programme and to improve coordination with other ESI Funds.

Partners will be involved via national coordination committees preparing and supporting monitoring committee members in the execution of their tasks. This will include the preparation of calls for proposals, programme progress reports as well as monitoring and evaluation of the programme. In addition, partners will inform potential beneficiaries. Programme authorities see encouraging and stimulating potential beneficiaries as challenging, due to the programme's novelty.

Source: Interview with the managing authority and review of the CBC programme Italy–Croatia

5.3. Other new management elements introduced by the regulation

5.3.1. E-cohesion

To improve management and audit programmes, Member States shall ensure that all exchanges between beneficiaries and programme authorities can be carried out through electronic exchange systems (Article 122(3) of the CPR).

With few exceptions, the adoption of e-cohesion is explicitly mentioned. Programmes that did not explicitly mention e-cohesion in the current programming period may already have an electronic system in place. Where e-cohesion was not yet in place, programmes mention its gradual introduction. Only the Amazonia programme foresaw challenges in introducing e-cohesion by the end of 2015, due to problems with information and communications technology coverage, but expects implementation by the end of 2016.

The programmes expect the main reduction of administrative burden to be for beneficiaries. Administrative tasks for the programme authorities, such as selecting operations, monitoring and evaluation remain largely the same.

Some programmes acknowledge that systems will not be fully electronic and applications will require hard copies at some stage. Examples are the Saint-Martin-Sint Maarten CBC and the Danube transnational programmes. The latter specifies that full adoption of e-cohesion not only relies on technical adjustment, but would also require a change of mind-set.

In some countries, all ESI Funds programmes make use of a single system set up by the national authority. The South Baltic programme, for example, employs the electronic system for ESI Funds programmes set up by the Polish authorities. This ensures coordination across ESI Funds, but the programme authority perceives the system as being too focused on programmes under the Investment for Growth and Jobs goal and not sufficiently tailored to the specific needs of Interreg programmes. Where possible, the programme uses harmonised implementation tools developed by Interreg¹⁰⁵.

Harmonised implementation tools by INTERACT have been widely adopted. According to a survey conducted by INTERACT, 66% of programmes make use of the tools and 20% use the tools as inspiration¹⁰⁶.

Box: Benefits of electronic Monitoring System developed by INTERACT

e-cohesion in the CBC programme Estonia-Latvia

The programme adopted an electronic monitoring system developed by INTERACT to comply with Article 122(3) of the CPR. This is a paper-free application and reporting system that allows applicants to submit information only once. This reduces administrative burden and ensures smoother communication between applicants and programme authorities, including the electronic submission of reports to financial controllers. The system became operational at the end of 2015.

¹⁰⁵ Together with many cooperation or cohesion programmes, INTERACT developed a wide range of harmonised tools for implementation. These consist of templates, model forms and factsheets for project selection, project implementation, financial control and audit, as well as documents on eligibility of expenditure and programme evaluation. These tools are supplemented by guidance from INTERACT e.g. on electronic monitoring and handbooks on programme management and project management.

¹⁰⁶ INTERACT (2015) Harmonised Information Tool survey results 2015.
http://admin.interact-eu.net/downloads/9565/HIT_Survey_Results_2015_10_2015.pdf

Source: CBC programme Estonia–Latvia 2014-2020

5.3.2. Simplified Cost Options

The CPR (Article 67) includes options for calculating eligible expenditure for grants and repayable assistance on the basis of flat rate financing, standard scales of unit costs and lump sums. Where Simplified Cost Options are used, tracing every euro of co-financed expenditure to individual supporting documents is no longer required. As opposed to Simplified Cost Options, the 'real cost' method for reimbursement forces beneficiaries to submit a significant number of documents with detailed cost reports, often containing complex calculations.

The general rules for Simplified Cost Options are provided under Article 67 of the CPR. For ETC, these provisions are complemented by ETC specific rules (Article 19 of the ETC regulation), which allow staff costs to be calculated at a flat rate of up to 20% of the direct non-staff costs of the operation.

Generally, programme authorities consider that **Simplified Cost Options are expected to reduce financial management costs**, in particular **for beneficiaries** but also **for verification and audit**.

Many of the interviewed authorities use Simplified Cost Options (e.g. CBC Sweden–Norway, CBC/Transnational Cooperation Indian Ocean, CBC South Baltic, CBC DE–CZ, CBC PL–DE (Saxony)-CBC Grande Region) in particular for staff costs.

Despite the general interest, **interviewees also underlined that**, in order to intensify the use of this option, **further support from the EC would be needed** (e.g. Danube), **in particular an elaboration of methods for calculating costs**. In this regard, some interviewees (e.g. Adrion) affirmed that **the limit of 20%** defined under Article 19 of the ETC **is too low for the ETC project**, reducing the 'attractiveness' of using this option.

Box: Simplified Cost Options

CBC programme Germany–Poland (Saxony)

This programme introduced Simplified Cost Options for office and administrative costs but also to partially cover staff costs. More precisely:

- for Polish beneficiaries: staff costs not exceeding 20% of eligible direct costs must be calculated at 20% of the partner's remaining eligible direct costs;
- for German beneficiaries: staff costs not exceeding 20% of eligible direct costs can be calculated at 20% of the partner's remaining eligible direct costs;
- office and administration costs related to project implementation must be calculated at a flat rate of 15% of the eligible direct staff costs of the beneficiary or of the flat rate value (depending on the method of calculating personal costs).

Source: interview with the managing authority of the Cooperation Programme

Finally, some managing authorities mentioned the lack of simplification in State aid rules and public procurement provisions. These issues remain complex in a cross-border context especially the competences required.

6. NEW IMPLEMENTATION TOOLS IN ETC PROGRAMMES

KEY FINDINGS

- **A majority of ETC programmes do not mention the use of implementation tools** such as the CLLD, ITI, JAPs and Integrated Actions for Sustainable Urban Development; only a few of them left this option open, but intend to activate it later.
- **These tools are considered complex and burdensome for Cooperation Programme beneficiaries and more suitable for mainstream programmes.** In addition, they may overlap with existing CBC organisations.
- **Financial instruments and major projects will not be implemented** by the majority of Cooperation Programmes **because of shortage of manpower** for the former **and the limited financial volume of programmes** for the latter.
- When mentioned, recourse to the new tools **is described in very vague terms in the ETC programmes** and does not refer to specific rules that would make these instruments effective.

The following chapter addresses the use of the new implementation tools introduced by the 2014–2020 legislative framework also for Cooperation Programmes. These tools – as introduced in section 2.2 - include: **CLLD** established by Articles 32 to 35 of the CPR, the **ITI** established by Article 36 of the same regulation, the **JAPs** Article 104 to 109, the **integrated actions for sustainable urban development** (Article 15(2)(a)(i) of the CPR and Article 8(3)(b) of the ETC Regulation), the **major projects** (Article 100 of the CPR) and the **financial instruments** established by Title IV of the CPR (for more details see section 2.2).

The European Parliament advocated the use of these instruments during the negotiation phase of the ETC Regulation, considering them – especially CLLD and ITI – an important opportunity for encouraging a bottom-up participation of local actors, for identifying and addressing their own specific needs¹⁰⁷.

6.1. CLLD, ITI, JAP and Integrated Actions for Sustainable Urban Development

EC guidance documents¹⁰⁸ provide clarifications and incentives for the adoption of these implementing tools¹⁰⁹. However, **86% of the programmes do not plan to use any of the new territorial cooperation tools (CLLD, ITI, JAP and the Integrated Actions for Sustainable Urban Development)**. From interviews with stakeholders, it emerges that these tools are generally considered **complex and arguably top-down rather than bottom-up**. Additionally, in some cases they also:

¹⁰⁷ European Parliament 'European Union Cohesion Policy 2014–2020, A comprehensive presentation of the legislative package and the role of the European Parliament' (no date mentioned).

¹⁰⁸ European Commission (2014) 'Draft guidance fiche for desk officers – Integrated Territorial Investment (ITI) – Version 3 – 28/01/2014'.

¹⁰⁹ European Commission (2014) 'European Structural and Investment Funds, Guidance for the Member States and Programme Authorities – Guidance on Community-led Local Development in European Structural and Investment Funds'.

- increase administrative burden for beneficiaries;
- may create parallel structures to existing CBC organisations;
- are time and resource consuming;
- are not suitable for the Cooperation Programme area.

The latter point is seen more with Cooperation Programmes in the outermost regions: e.g. Cooperation Programme Indian Ocean. From the interview with the programme authorities it emerges that these tools are not suitable because there are no land borders between the participating countries and because cooperation is implemented between States and not local stakeholders.

Box: Motivations for not using the new implementing tools

CBC DE – CZ and IPA CBC IT – AL - ME

- New implementation tools such as **ITI or CLLD** are not used at all under the Cooperation Programme. One explanation is that this **might create a 'parallel structure' to existing permanent CBC structures** that already promote multi-thematic and local CBC with joint territorial development concepts in the programme area. More decisive, however, was that **their implementation would be too resource consuming** (especially with human resources) for the CBC.
- **The new tools are not suitable for the programme characteristics (the programme is new), for cooperation areas with a maritime border (the Adriatic Sea), or between a Member State and States in the pre-accession phase.** Therefore, use of innovative tools was deemed more suited to mature cooperation areas with IPA CBC programme Italy–Albania–Montenegro.

Source: interviews with the managing authorities of the Cooperation Programmes

Three programmes - CBC Italy–Malta, CBC Italy–France (ALCOTRA), and CBC Greater Region – consider using new tools later during implementation.

Box: Example of ETC programme considering the use of CLLD

CBC programme Italy–Malta

The Authorities will decide during implementation about experimenting with the CLLD approach to address the following specific territorial challenges:

- promoting the natural attractiveness of the cooperation area;
- promoting the competitiveness of SMEs (for instance, manufacturing, tourism, technology, agriculture and food);
- preserving territorial cohesion in the areas subject to environmental risks.

Source: CBC programme Italy–Malta 2014-2020

For the ITI, only one of the analysed programmes establishes that they might employ the instrument during implementation.

Box: Example of ETC programme considering the use of ITI**CBC Italy–France (ALCOTRA)**

This programme lists in Section 4.3 the **key features** of the cooperation area **which allow and encourage the use of ITI**. These are the experience of the territories in implementing integrated territorial development strategies of cross-border dimension, stable agreements on territorial governance and defined strategies coherent with the Cooperation Programme. Moreover, the programme authorities consider that ‘financing a limited number of ITI will allow to adopt a real integrated and inter-sectoral territorial development strategy and also focus investments on specific cross-border regions, characterised by a homogeneity in characteristics and development needs.’

Source: CBC programme France–Italy (ALCOTRA) 2014–2020

None of the Cooperation Programmes allocate ERDF support to sustainable urban development, although the Partnership Agreements of some Member States clearly identify urban areas where this instrument can be implemented, mainly through ITI (e.g. Austria, Spain and Finland).

Stakeholders also feel JAPs would increase administrative burden for beneficiaries (e.g. Transnational Cooperation Danube). Other programmes leave the initiative of creating JAPs to beneficiaries and trust that they will come up with interesting projects that fit with the programme objectives (e.g. interview with the managing authority of the Transnational Cooperation South Baltic).

6.2. Financial instruments and major projects

The CPR establishes that financial instruments - presented in section 2.2 - supported by ESI Funds should be designed and implemented to address market failures in accordance with the objectives of the programmes. They should encourage considerable participation from private sector investors.

Only 6% (three) of the analysed ETC programmes – whose managing authorities are all located in Italy - **have retained the option of using financial instruments** (CBC Italy–Malta, CBC Italy–Croatia and Transnational Cooperation Adrion). In other Cooperation Programmes, it was not always clear whether the final decision against the use of financial instruments was taken before approval of the programme itself (i.e. North-West Europe). They are considered as burdensome for stakeholders because of a shortage of manpower capacity (e.g. CBC Germany–Czech Republic).

For **major projects, none of the programmes will use them during implementation of the programme**. They are deemed inappropriate because of the limited financial volume of the programmes.

7. CONCLUSIONS

7.1. General findings

This study aims at providing a broad picture of the state of play of ETC programmes approved for the 2014-2020 programming period. The study reviews CBC and Transnational Cooperation programmes adopted at the end of 2015 (30 CBC programmes out of 60 and 10 Transnational Cooperation programmes out of 15). In addition, the study includes a number of CBC programmes funded by IPA II, around 60% of the IPA CBC programmes adopted (6 out of 10 programmes) and the two programmes funded by the ENI approved by 2015.

The analytical work was focused on specific issues of programme implementation. These include strategic choices made by Cooperation Programme authorities, the concentration of financial resources into a limited number of Specific Objectives, the result-oriented approach (chapter 3), the quality of synergies with other programmes in the same cooperation area (chapter 4), simplification of administrative rules to reduce the burden on beneficiaries (chapter 5) and the introduction of new implementation tools (chapter 6). Comparison with the previous programming period helped to better understand the significance of changes at programme level in the programme drafting phase and the issues still at stake for organisation and management.

It is worth noting that the new provisions in the regulations governing implementation of ESI Funds and advocated by the European Parliament during the negotiation phase were challenging for managing authorities. From a first analysis of 48 Cooperation Programmes and as confirmed by 13 interviews with managing authorities, most of the challenges have been tackled, albeit to varying degrees, depending on the topics and local conditions.

The picture remains very varied, considering the different types of ETC programmes and the geographical location, including internal or external borders, Member States or non-Member States, States in pre-accession or neighbouring countries, 'old' Cooperation Programmes or new ones, cross-border or transnational programmes, northernmost and outermost regions or 'continental' ones, land or maritime programmes, but also programmes with specificities such as sparsely populated areas.

These can largely explain the differences in strategic choices and implementation arrangements adopted at programme level.

7.2. New requirements for the new programming period and contribution of the European Parliament

New requirements introduced by the ETC Regulation are for stronger thematic concentration, a result-orientation approach and simplified rules for the managing structure and the financial management of programmes.

For the 2014-2020 programming period ETC is now one of the two goals of Cohesion Policy. The major innovation is a separate Regulation (1299/2013), with specific provisions for programming, implementation, monitoring and control of ETC programmes. This restructuring is justified by the need for greater transparency and simplification during implementation, considering the major contribution required from ETC programmes to EU development objectives. The central premise is to reduce administrative burden for

beneficiaries by establishing a common set of rules, as well as simpler accounting, clearer eligibility rules for projects and more targeted reporting. In addition, in conjunction with other ESI funds, thematic concentration of financial resources, as well as a more 'results-oriented' approach has also been introduced for the ETC goal.

During the negotiation phase the European Parliament played a key role in proposing and developing new concepts and ideas. This was to clarify legislative provisions governing implementation of the ETC goal, to ensure flexibility in the use of ETC financial resources, to concentrate programme resources on a limited number of priorities and also to improve management.

7.3. Concentration and strategic coherence

A large number of Cooperation Programmes over-complied with the regulatory requirement for concentrating resources on a limited number of Thematic Objectives in the 2014-2020 programming period.

The analysis of Cooperation Programmes at EU internal borders shows that there is a clear concentration on a limited number of thematic objectives. These are primarily Thematic Objective 6 (environment and resource efficiency) and Thematic Objective 1 (research, development and innovation). Transport and sustainable mobility are also often mentioned in programme strategies, while inclusive growth is identified as a cross-cutting issue. The thematic concentration for cross-border and transnational programmes is similar, while there are some differences in external cooperation instruments. Indeed, in IPA CBC programmes, tourism and heritage are significantly addressed, while neither of the two ENI programmes in this study selected environmental, research and innovation issues as intervention priorities. In addition, for financial concentration, a large number of ETC programmes at EU internal borders (86% of CBC and all Transnational Cooperation programmes analysed) and IPA CBC programmes over-complied with regulatory requirements for thematic concentration, allocating more than 80% of their financial resources to four or fewer Thematic Objectives.

The programmes provided a structured territorial analysis to justify resource concentration on a few Thematic Objectives, identifying the needs to be addressed across the cooperation area. The target groups were consistent with the Specific Objectives and the related list of proposed actions. The involvement of local partners in the drafting of programmes was important for identifying territorial needs.

A majority of programmes introduced changes in strategy compared to the previous programming period. The modifications are mainly linked to fewer sectors of intervention or new fields of cooperation.

7.4. Result-orientation approach

The result-orientation approach required by the regulatory framework was a challenge for a large number of managing authorities.

The increased attention to a more result-oriented strategy has required programmes to better define objectives with quantified targets and to elaborate monitoring and evaluation systems

capable of capturing the specific effects that can be credibly attributed to interventions. In this context, identification of baselines for result indicators was challenging. In some cases, the characteristic of certain cooperation actions (networking actions, supporting activities, training and dissemination) and the large areas covered by Cooperation Programmes (e.g. by transnational programmes) made it difficult to choose representative indicators and to determine the target values as required by ETC Regulation. Recourse to surveys was often used to quantify indicator targets. As a consequence, challenges remain over the coming years for monitoring and reporting.

7.5. Synergies with other programmes and new implementation tools

The synergies of ETC programmes with other instruments in the same cooperation area are almost always mentioned in the programmes. There are some differences depending on the type of instruments and the ETC programmes. The ways of coordinating between instruments is less detailed.

A large majority of programmes refer to other EU instruments (usually from two to five other instruments, related to the cooperation area covered by the programme strategy). There is no real difference between cross-border and transnational programmes in reporting synergies with other EU instruments. The instruments most frequently mentioned are Horizon 2020 and LIFE+. This seems consistent with the strategic choice made by the programmes in concentrating resources on Thematic Objective 1 (research, development and innovation) and Thematic Objective 6 (environment and resource efficiency). Other instruments also reported in the Cooperation Programmes are CEF, COSME, Erasmus, Asylum and Migration and the Programme for Social Change and Innovation.

The exchange of information between programme authorities is the most common form of cooperation reported. Coordination between programme actions is less cited and how this should be achieved is almost never specified in the Cooperation Programmes. In some programmes, coordination is required at project level. Projects must clarify that their actions do not overlap with actions financed by other instruments.

Coordination with ENI, IPA and EDF is only planned in ETC programmes when the programme location justifies this. Synergies with national and regional instruments are mentioned by half of the programmes, whereas joint development plans or strategies are hardly mentioned. Even if they exist across borders, they are not necessarily linked to a (complete) ETC programming area.

The vast majority of programmes mention coordination with ERDF, European Social Fund, European Agricultural Fund for Rural Development and with other ETC programmes. The Cohesion Fund and the European Maritime and Fisheries Fund are quoted less, but this is because they are relevant to fewer programmes. It is worth noting that synergies are rarely detailed. Descriptions are vague on who will be involved in coordination activities and how. On the whole, any description of synergies is less detailed in transnational programmes than in cross-border ones.

The EGTC instrument is rarely used for management and implementation of Cooperation Programmes, with the exception of the 'Greater Region' programme. When mentioned, the EGTC is mainly identified as a potential beneficiary of the programme.

A large majority of programmes mentioned synergies with macro-regional and sea basin strategies. More than two-thirds of the programmes share at least part of their cooperation area with a macro-regional strategy. Some transnational programmes show particularly high coherence with macro-regional strategies, in terms of areas covered and strategic priorities. In addition, many programmes mentioned specific coordination with macro-regional strategies, such as links through specific actions related to the macro-regions, shared committees and stakeholder involvement in joint activities.

Finally, the vast majority of the programmes do not plan to use any of the new territorial development tools (CLLD, ITI, JAP or Integrated Actions for Sustainable Urban Development). Financial instruments and major projects as implementation tools were also not considered to a large extent. From interviews with stakeholders, it emerges that these tools are generally considered complex and burdensome for beneficiaries and more suitable for mainstream programmes. Moreover, financial instruments will not be used as a fund delivery tool due to a general shortage of manpower capacity at programme authority level and major projects are not considered suitable for Cooperation Programmes, given their limited financial volume.

7.6. Simplification in management structure and partnership

Simplification rules introduced by the CPR and ETC Regulation were assessed differently, depending on the programme context. Programme authorities that introduced new elements perceive them as simplifications. Some authorities see the changes as a source of additional administrative burden and costs due to the requirement for new skills and capacity. In general, there is more involvement of partners in the definition of strategy compared with the previous programming period, but the way in which stakeholders will take part in programme implementation for 2014-2020 is not reported.

A large number of programmes did not change their management structures and maintained a separate managing authority and certifying authority. The main reason is to ensure institutional stability and continuity between programming periods. Most of the changes reported in the programmes are small and based on experience from previous programming periods. In one third of cases, programme authorities are also involved in the management of other programmes.

For the IPA and ENI programmes, there were specific issues in relation to the nomination of authorities, procedures adopted for controlling expenditure and the application of public procurement provisions over the area of cooperation.

Programme authorities recognise that more partners have been involved in the development of programmes. Methods to involve partners have been largely based on experience from the previous programming period. Most of the partners involved in programme drafting are from public authorities, followed by NGOs, associations and SMEs.

A large majority of programmes mentioned the adoption of e-cohesion procedures and instruments, which is expected to reduce administrative burden for beneficiaries.

Finally, many of the authorities interviewed have already opted for using Simplified Cost Options. Generally, the programme authorities consider that Simplified Cost Options are expected to reduce financial management costs, in particular for beneficiaries. In some cases,

managing authorities require additional guidance from the European Commission on how to apply Simplified Cost Options at programme level. They also mention the lack of simplification in State aid rules and in public procurement provisions, which are a source of major complexity in programme implementation.

7.7. Additional horizontal elements

The programmes did not often select Thematic Objective 11 as a priority. Capacity building was mostly considered as a cross-cutting or sectoral issue. Cooperation in new policy fields is rarely addressed, as the regulations strictly define the scope for programme intervention. Problems related to the current refugee crisis, for example, are not directly addressed by Cooperation Programmes, although they are relevant for some borders. The way in which the issue might be considered is not yet clear within the current legislative framework.

In the current programming period, not all the Cooperation Programmes related to EU internal borders have chosen to finance Thematic Objective 11 (institutional capacity). Still, the question is considered as a cross-cutting issue and therefore actions under other Thematic Objectives should also contribute to capacity building.

It emerges that programmes use Thematic Objective 11 mostly for strengthening cooperation between administrative entities and supporting grass-roots cooperation among citizens. The Thematic Objective is used to a lesser extent for promoting a joint provision of public services (e.g. emergency & risk prevention, civil protection, healthcare and medical services, social care & demographic change and police cooperation).

Regarding cooperation with third countries, all IPA CBC programmes include capacity building as a cross-cutting issue, while for ENI programmes the major challenges relate to discontinuity in the legislative frameworks at border level.

Programmes financed by ESI Funds are structured according to templates provided by the European Commission and other regulation provisions. These provisions limit the flexibility of the programmes in addressing new issues. On the other hand, Cooperation Programmes are also a result of negotiations among many parties, which can in some cases not be changed easily. Nevertheless, cooperation in the field of police, criminal investigation and crime prevention is considered as relevant for some internal Cooperation Programmes. This is because of persistent and manifest cross-border security issues (related to drug dealing or to theft and burglary) and because in some cases, existing inter-state agreements on police cooperation are out-dated.

Migration and especially problems related to the current refugee crisis are not a focus of any of the internal Cooperation Programmes. This is partly because these programmes cover internal EU borders that, until recently, were not strongly affected by massive refugee flows, and because the programming process had taken place before the adverse consequences of this crisis became evident. The fact that Member States are currently acting differently on all these matters makes it even more complicated to address such issues in a CBC perspective.

For cooperation at EU external borders, some IPA CBC and ENI programmes deal with security issues especially transport security.

7.8. Recommendations

Recommendations consider the main findings and conclusions from the study (see table below). There are two broad categories: recommendations for follow-up by programmes in the current programming period and recommendations related to the design of future Cooperation Programmes beyond 2020. These recommendations concern different ETC players at national, cross-border and EU levels.

Finally, the research team proposes a template for a survey of managing authorities with a limited number of topics directly related to programme implementation. The survey could be performed within programme on-going evaluations or directly promoted by the European Parliament. The survey would provide an update of issues addressed in this study, but with an overarching territorial coverage of Cooperation Programmes. The objective is also to provide a common analytical framework at European level for the mid-term assessment of programme performance and identify key EU programming issues for the following programming period.

The main topics for the questionnaire are:

- results-oriented approach introduced by the regulations, and the effectiveness of the system of indicators used by programmes to measure results;
- efficiency of management arrangements adopted by programme authorities;
- effectiveness of simplification rules introduced in the 2014-2020 regulations;
- support required from managing authorities during implementation;
- emerging issues at cross-border levels – migration and security - and new needs to be covered by programmes;
- synergies with other policies in the cooperation area;
- statistical data and information requirements for drafting, monitoring and evaluating Cooperation Programmes;
- third country specificities and needs, and relevance of the current normative framework (e.g. results-oriented approach) in addressing these needs;
- stakeholder involvement in practice, in the implementation phase.

Table 6: Recommendations

ISSUE	FOLLOW-UP	BEYOND 2020	TO WHOM
ETC Regulation content and deliverable requirements for Cooperation Programmes (related to all chapters of the study)	Assess the technical assistance needs of programme authorities in implementation of the results-oriented approach.	NA	Member States + programme authorities
	In support of managing authorities, produce specific guidelines related to implementation issues , such as public procurement procedures, simplification of management and control arrangements and State aid rules in a cross-border context.	Adapt the list of common output indicators to the specific contexts of border regions and fields of intervention covered by Cooperation Programmes.	EU institutions + Member States
Synergies between ETC programmes and other planning instruments (chapter 4)	Assess (mid-term review) the actual degree of synergies of current programmes with instruments of other larger scale policies (national, macro-regional, EU) and falling into the same area of cooperation.	Improve the coordination of ETC programmes with national and regional policy instruments at border level , developing inventories and mapping policies and funding instruments in the cooperation area.	Member States + programme authorities
Simplification of setting up implementation structures (chapter 5)	Verification of the adoption of simplification provisions and management arrangements planned by programme authorities (mid-term review)	NA	Member States + programme authorities
Involvement of partners in programming and implementation (chapter 5)	Assess partner involvement in programme implementation (mid-term review).		Member States + programme authorities

ISSUE	FOLLOW-UP	BEYOND 2020	TO WHOM
Cooperation with third countries (horizontal)	Special focus on external borders and related needs and issues (mid-term review)	Improve statistical data collection and harmonisation between EU Member States and third countries, especially in the pre-accession area (e.g. through ESPON projects).	Member States + programme authorities + EU institutions and Agencies (e.g. EUROSTAT)
New implementation tools in ETC programmes (chapter 6)	Monitor and assess use of the new implementation tools (mid-term review).	Consider new implementation tools as complementary instruments to be used on a voluntary basis.	Member States + programme authorities + EU institutions (legislators)

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ANNEX

List of Cooperation Programmes reviewed and selected interviews

Table 7: List of Cooperation Programmes reviewed and selected interviews

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
2014TC16RFCB003	Slovakia-Austria	A	ERDF	Slovakia-Austria		
2014TC16RFCB005	Spain-Portugal (POCTEP)	A	ERDF	Spain-Portugal		
2014TC16RFCB006	Spain-France-Andorra (POCTEFA)	A	ERDF	Spain-France-Andorra		
2014TC16RFCB009	Germany/Bavaria-Czech Republic	A	ERDF	Germany - Czech Republic	Bavarian Ministry of Economic Affairs	15.02. 2016
2014TC16RFCB013	Poland-Denmark-Germany-Lithuania-Sweden (SOUTH BALTIC)	A	ERDF	Poland-Denmark-Germany-Lithuania-Sweden	Joint Secretariat	09.02. 2016
2014TC16RFCB015	Slovakia-Hungary	A	ERDF	Slovakia-Hungary		
2014TC16RFCB016	Sweden-Norway	A	ERDF	Sweden	Head of the managing authority	15.03. 2016
2014TC16RFCB019	Germany/Mecklenburg-Western	A	ERDF	Germany-Poland		

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
	Pomerania/Brandenburg-Poland					
2014TC16RFCB020	Greece-Italy	A	ERDF	Greece-Italy	Managing authority	18.03.2016
2014TC16RFCB021	Romania-Bulgaria	A	ERDF	Romania-Bulgaria		
2014TC16RFCB024	Germany-Austria-Switzerland-Liechtenstein (Alpenrhein-Bodensee-Hochrhein)	A	ERDF	Germany-Austria-Switzerland-Liechtenstein		
2014TC16RFCB026	Sweden-Denmark-Norway (Öresund-Kattegat-Skagerrak)	A	ERDF	Sweden-Denmark		
2014TC16RFCB029	Slovenia-Croatia	A	ERDF	Slovenia-Croatia		
2014TC16RFCB032	Sweden-Finland-Norway (Nord)	A	ERDF	Sweden-Finland		
2014TC16RFCB035	Italy-Switzerland	A	ERDF	Italy-Switzerland		
2014TC16RFCB037	Italy-Malta	A	ERDF	Italy-Malta		
2014TC16RFCB038	France-Belgium-The Netherlands-United	A	ERDF	France-Belgium-The		

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
	Kingdom (Les Deux Mers/Two seas/Twee Zeeën)			Netherlands-United Kingdom		
2014TC16RFCB040	France-United Kingdom (Manche-Channel)	A	ERDF	France-United Kingdom		
2014TC16RFCB042	Italy-Croatia	A	ERDF	Italy-Croatia	Managing authority	01.03.2016
2014TC16RFCB045	France-Belgium-Germany-Luxembourg (Grande Région /Großregion)	A	ERDF	France-Belgium-Germany-Luxembourg	CBC department in Lorraine Region	02.03.2016
2014TC16RFCB047	United Kingdom-Ireland (Ireland-Northern Ireland-Scotland)	A	ERDF	United Kingdom-Ireland		
2014TC16RFCB050	Estonia-Latvia	A	ERDF	Estonia-Latvia		
2014TC16RFCB051	France (Mayotte/Comores/Madagascar)	A	ERDF	France		
2014TC16RFCB054	Slovenia-Austria	A	ERDF	Slovenia-Austria		
2014TC16RFCB055	Greece-Cyprus	A	ERDF	Greece-Cyprus		

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
2014TC16RFCB018	Poland-Germany/Saxony	A	ERDF	Poland-Germany	Joint Secretariat	22.02. 2016
2014TC16RFCB043	France (Saint Martin-Sint Maarten)	A	ERDF	France		
2014TC16RFCB046	Belgium-The Netherlands (Vlaanderen-Nederland)	A	ERDF	Belgium-The Netherlands		
2014TC16RFCB053	Slovenia-Hungary	A	ERDF	Slovenia-Hungary		
2014TC16RFPC001	Ireland-United Kingdom (PEACE)	A	ERDF	Ireland-United Kingdom		
2014TC16I5CB002	IPA CBC Romania-Serbia	A	IPA	Romania	BRCT Timisoara	15.02. 2016
2014TC16I5CB004	IPA CBC Croatia-Bosnia and Herzegovina-Montenegro	A	IPA	Croatia		
2014TC16I5CB005	IPA CBC Bulgaria-Turkey	A	IPA	Bulgaria		
2014TC16I5CB008	IPA CBC Italy-Albania-Montenegro	A	IPA	Italy	Managing authority	28.02. 2016
2014TC16I5CB009	IPA CBC Greece-The former Yugoslav Republic of Macedonia	A	IPA	Greece		
2014TC16I5CB001	IPA CBC Hungary-Serbia	A	IPA	Hungary		

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
Non relevant	ENI CBC MED Sea Basin		ENI	Algeria-Cyprus-Egypt-France-Greece-Israel-Italy-Jordan-Lebanon-Lybia-Malta-Morocco-Palestine-Portugal-Spain-Syria-Tunisia-Turkey-United Kingdom		
Non relevant	ENI CBC Karelia		ENI	Finland – Russia	Managing authority	14.03.2016
2014TC16M4TN002	Adrion	B	ERDF+IPA(e)	Italy, Slovenia, Greece, Croatia	Coordinator - Joint Secretariat	04.03.2016
2014TC16M5TN001	Baltic Sea	B	ERDF+ENI	Denmark, Germany, Estonia, Finland, Latvia, Lithuania, Poland, and Sweden		
2014TC16M6TN001	Danube	B	ERDF+IPA(e)+ENI	Austria, Bulgaria, Croatia, Czech Republic,	Managing authority	15.02.2016

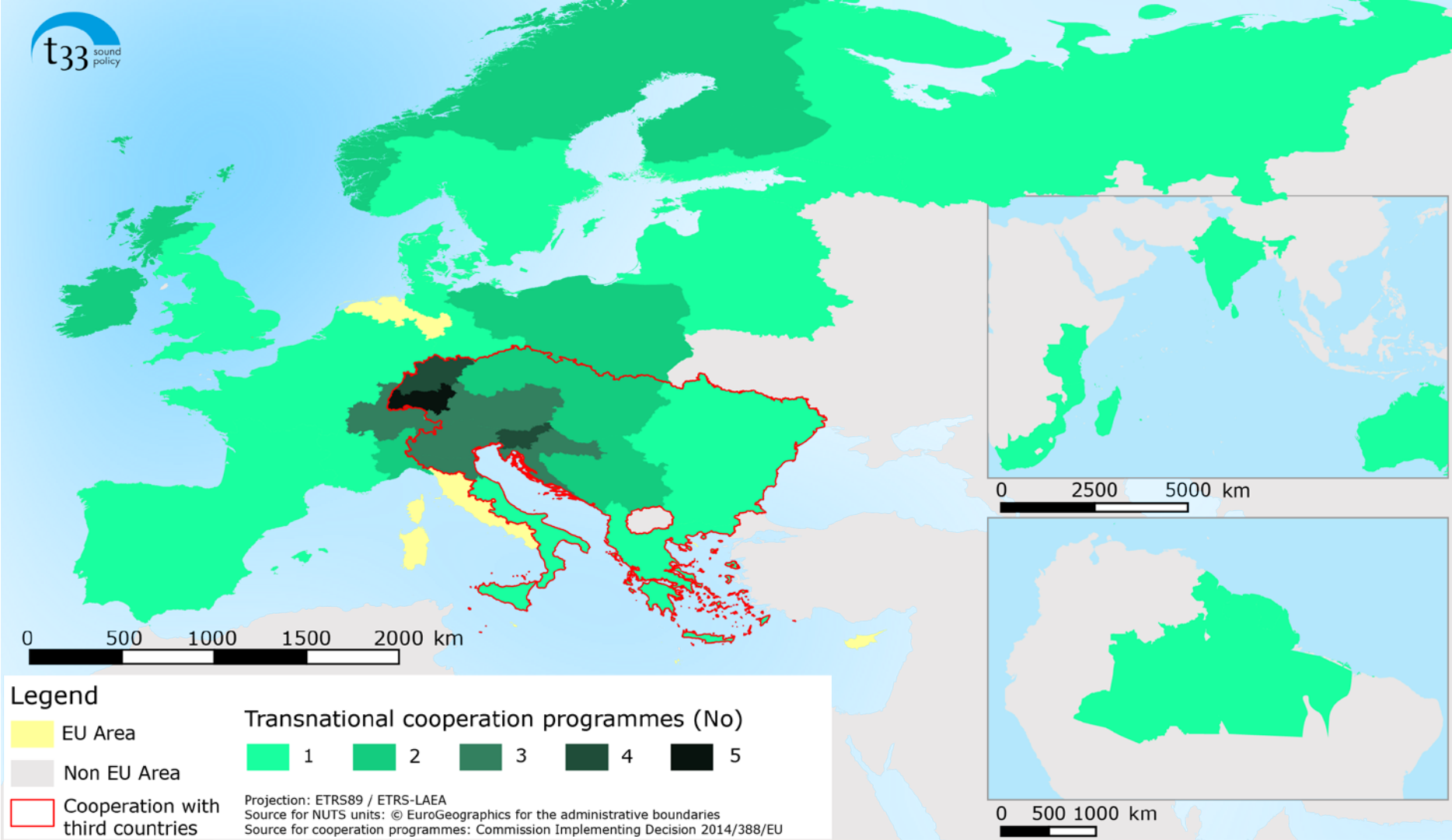
CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
				Germany, Hungary, Romania, Slovakia, Slovenia		
2014TC16RFTN003	Central Europe	B	ERDF	Austria, Croatia, the Czech Republic, Hungary, Poland, Slovakia and Slovenia, Germany and Italy		
2014TC16RFTN004	Northern Periphery and Arctic	B	ERDF	Finland, Ireland, Northern Ireland, United Kingdom and Sweden		
2014TC16RFTN006	North West Europe	B	ERDF	Ireland, the United Kingdom, Belgium, Luxembourg, Switzerland, France,		

CCI 2014-2020	Name 2014-2020	Strand (A/B)	Funds / Financial support	Countries (Name)	Interviews	
					Role/Organisation	Date
				Germany and the Netherlands		
2014TC16RFTN007	South West Europe	B	ERDF	France, Portugal, Great Britain, Andorra		
2014TC16RFTN009	Indian Ocean	B	ERDF	France	Regional Council of La Reunion – Managing authority	14.03. 2016
2014TC16RFTN001	Alpine Space	B	ERDF	Austria, Liechtenstein, Switzerland, Slovenia, France, Germany, Italy		
2014TC16RFTN010	Amazonia transnational	B	ERDF	France		

Source: Author

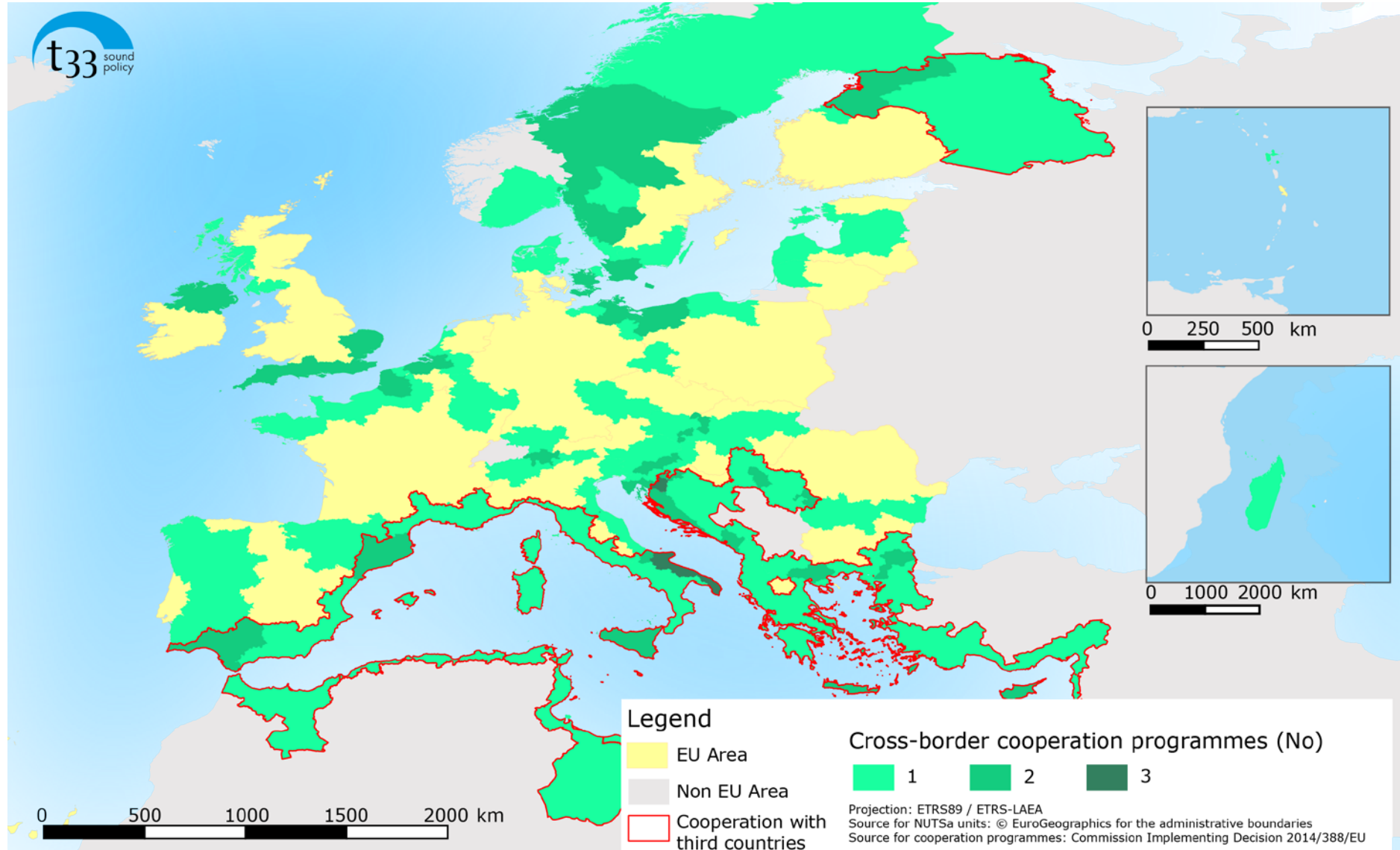
Territorial coverage of the reviewed programmes

Figure 11: Territorial coverage of the transnational programmes reviewed



Source: t33 2016

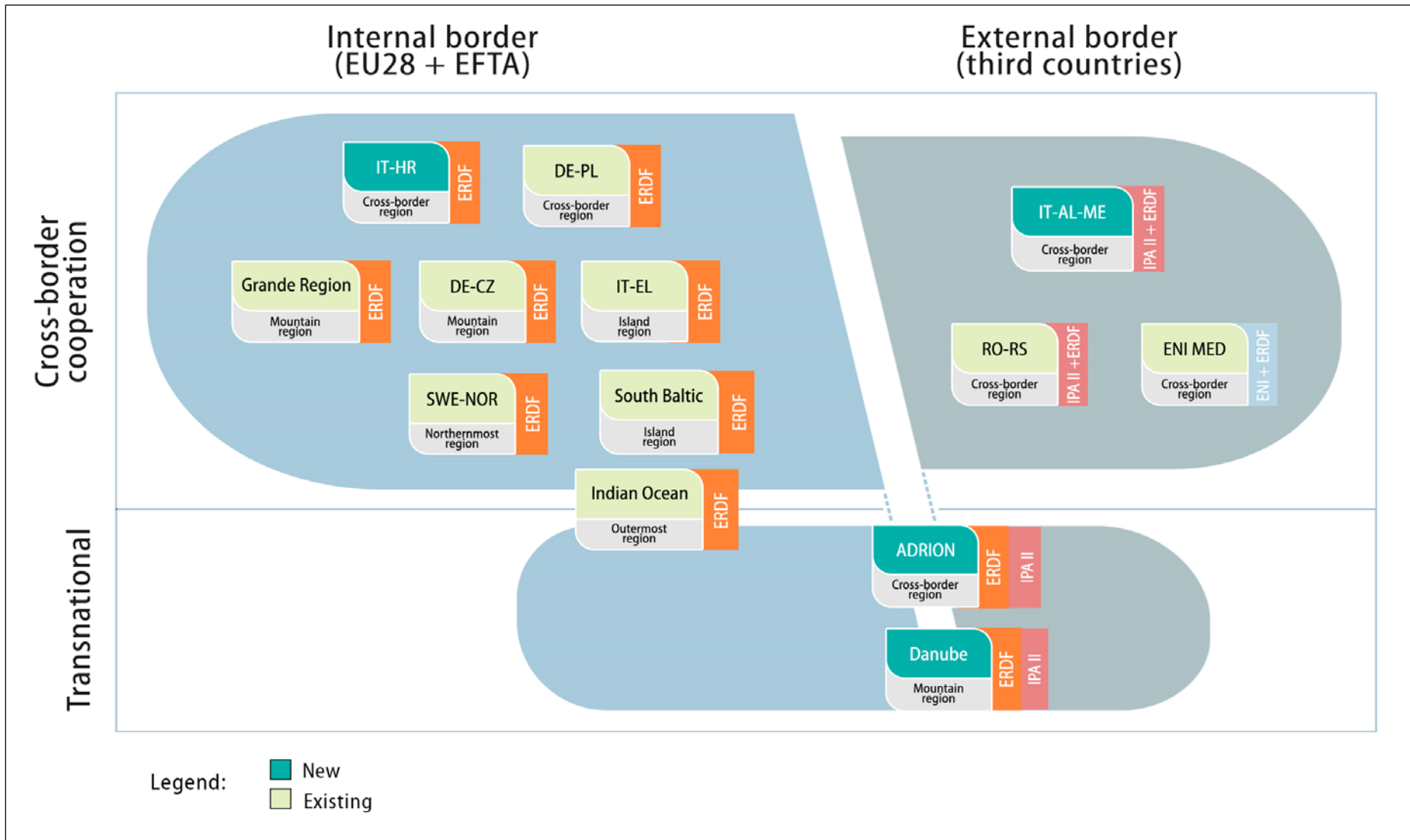
Figure 12: Territorial coverage of the cross-border programmes reviewed



Source: t33 2016

Methodology for the selection of managing authorities to interview

Figure 13: Methodology for selecting the 13 managing authorities to interview



Source: Author

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

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