



**EIXO
ATLANTICO
COOPERATION
REPORTS**



C4C

Cities for Cooperation Platform

THE FUTURE OF EUROPEAN TERRITORIAL COOPERATION. TOWARDS A EUROPE OF EUROPEANS



**José Soeiro (Coordinator)
José Palma Andrés / Carlos Beltrán / Albert Sorrosal**

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TOWARDS A EUROPE OF EUROPEANS**

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INTRODUCTION



INTRODUCTION

This publication brings together the four documents that were prepared in the context of the **C4C Platform - Cities for Cooperation** integrated, together with the Eixo Atlántico, by RIET - Iberian Network of Transboundary Cooperation Entities, MEDCITIES - Network of Cities of the Mediterranean, CAAC - Conference of the Atlantic Arc Cities and FAIC - Forum of Adriatic and Ionian Cities.

- ▶ **European Territorial Cooperation and the Cohesion Policy.** A contribution for the Europeans' common future.
- ▶ **Measures to implement the C4C proposals.** A contribution for the Europeans' common future.
- ▶ **European Union budget for the future.** Comment to the European Commission's proposal for the multiannual financial framework and its impact on European Territorial Cooperation.
- ▶ **The Interreg for the future.** Comments on the proposal for new regulations of the Cohesion Policy.

These documents were made between January and November 2018 to ensure that the interests of the cities were considered in the preparation of the Multiannual Financial Framework 2021-2027.

Originally, the documents were in Spanish, Portuguese and English according to the language of the expert who led the group that produced it. As a consequence, this publication collects all the documents in English and the reports in their original version (one in Spanish and three in Portuguese) since they are the vehicular languages of both the experts and the C4C networks that cover the entire Atlantic seafloor and the Mediterranean.



**EUROPEAN TERRITORIAL
COOPERATION AND
THE COHESION POLICY.
A CONTRIBUTION FOR THE
EUROPEANS' COMMON FUTURE.**



1

EUROPEAN TERRITORIAL COOPERATION AND THE COHESION POLICY. A CONTRIBUTION FOR THE EUROPEANS' COMMON FUTURE.



1.1. AUTHORS AND WORKING TEAM

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1.2. PREVIOUS NOTE

RIET - Iberian Network of Cross border Cooperation Entities. A cross-border association for territorial cooperation, established in 2009 by proximity organizations of the Spanish and Portuguese borders, under the Treaty of Valencia,

MEDCITIES - Mediterranean Cities Network, established in Barcelona in November 1991, whose activity is geared towards sustainable urban development, and

CCAA - Atlantic Arc Cities Conference, a territorial cooperation network, based on the particular identity of the Atlantic Cities, established in 2000, constituting itself as an Atlantic urban forum,

FAIC - Forum of Adriatic and Ionian Cities was constituted in Ancona on 30th April 1999. This association brings together the cities of the 7 countries of the Adriatic-Ionian Basin: Italy, Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Albania and Greece,

non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of integrated programs in the various European territorial cooperation plans, consider appropriate to promote reflection on the future of Cohesion Policy post 2020 in general and on the **future of European territorial cooperation** in particular.

In order to promote this reflection and to disseminate the conclusions and results obtained, they decided to constitute the **C4C - Cities for Cooperation** platform, aiming to promote a broad debate and the identification of common problems and solutions adjusted to the common reality of cities and metropolitan areas of the peripheral regions of the European Union in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.

Based on the experience gained and on the technical reflection already produced, they proposed to summarize a set of **10 proposals** on the future of European territorial cooperation contained in this document.

They also envisage carrying out a detailed assessment of the 25 years of European Territorial Cooperation. Being a technical study based on the experience of territorial actors, as such

objective and based on its conclusions, it will not fail to reflect the analytical perspective of the organizations specifically set up for cooperation which are involved in the peripheral territories of the European Union and having a vast and unequalled experience.

Through this document, the **C4C - Cities for Cooperation** platform presents to the European Commission the 10 proposals on the future of European territorial cooperation, on the understanding that this presentation means the beginning of a regular and constructive dialogue, for which it mobilizes the means and the representativeness of their member organizations.



Conference of Atlantic Arc Cities - Conférence des Villes de l'Arc Atlantique



Conferencia de las Ciudades del Arco Atlántico - Conferência das Cidades do Arco Atlântico





1.3. INTRODUCTION

By placing co-operation as the third objective of Cohesion Policy, the European Union stressed the key role of territorial cooperation in building a common European area, helping to ensure that borders are not physical barriers, where people can share experiences and that work towards common goals can be a tangible reality.

European territorial cooperation thus becomes the cornerstone of European integration, and despite much already done, there is still a long way to go and great potential to be explored.

The economic and financial crisis which began in 2008 underlined this importance, not only because of the territorial asymmetry of its impact on European territory, but also because of the decisive role played by Cohesion Policy in the European crisis response and its important contribution to the structural adjustments of the regions necessary for the smooth functioning of Monetary Union.

The Treaty of Lisbon identified the promotion of economic, social and territorial cohesion and solidarity between Member States as a core value and mission of the Union. And gave Cohesion Policy a clear objective of promoting a harmonious development of the Union as a whole and, in particular, to contribute to reducing disparities between the levels of development of the various regions and the backwardness of the most disadvantaged regions.

Cohesion Policy, like other EU investment policies, is one of the important components of the response to the current economic and financial crisis and the current major challenges: the emerging phenomena of ultranationalism and antidemocratic populist movements, the pressure of migration, globalization, climate change, demography, etc. But it is certainly a key element in responding to these challenges, as well as the European Union's main response to the need to deepen the increasingly necessary building of effective and inclusive European citizenship.

The discontinuity in the territorial distribution of levels of economic and social development, induced by the persistence of obstacles arising from artificial economic and social frontiers, justifies that European territorial cooperation is now also the main instrument to support the full implementation of the single market and the main response to the need to create an effective and felt European citizenship in everyday life.

Many of the cross-border territories, both internal and external, including transnational maritime spaces, especially in the peripheral regions of the European Union, show less population, aggravated demographic problems, fewer companies and less business dynamics, less employment and, consequently, lower income than European Union average.

Within these territories, European territorial cooperation programs have long been the only financial instrument to support public policies geared towards the development of geographically disadvantaged territories and the development of common policies for shared resource management and exploitation of the potential and opportunities.

Through transnational European territorial cooperation and the promotion of macro regional strategies, it has been possible to develop in a shared way solutions whose effectiveness is not matched by the administrative constraints at the internal borders of the European Union.

Through the Inter-regional European territorial cooperation, the first common responses to the new problems posed by globalization and the challenges of the new digital economy were found.

Through neighborhood programs, maritime strategies and macro-regions, the first steps were taken, however insufficient and not always in the best sense, for effective cooperation between the European Union and the neighboring countries, both geographically and in terms of border security, cultural, innovation and trade, giving a more value to a more direct relationship between local and regional authorities in these countries.

Cooperation programs with neighboring regions, notably on the southern shore of the Mediterranean Sea, may play an increased role in an effective common security policy, non-police, and seek structural responses to the migratory flows that undeniably frighten European citizens.

Although it is the third objective of the Cohesion Policy, European territorial cooperation was seen in a reduction way as an addition to the main stream of the application of European structural and investment funds. Despite this erroneous confusion between size and importance, European territorial cooperation has increasingly asserted itself in the European Union as a whole.

The European Union has few genuinely citizen-oriented policies and the creation of effective European citizenship. European territorial cooperation stands out in a small set of policy instruments, which can only be added to the ERASMUS, LIFE programs and Europe with citizens.

In the current context of the European Commission's White Paper on the future of Europe, European territorial cooperation could be one of the best responses of the European Union to the emerging phenomena of ultranationalism and antidemocratic populist movements, since it is a structured, coherent and articulated approach that is available and operational to address the new and major challenge facing European construction: keeping citizens identified with the European project and creating a European citizenship.



1.4. SYNTHESIS OF PROPOSALS

The C4C presents, in a concise and justified manner, **10 proposals** for the future of European territorial cooperation:

- 1. Adopt a common strategy for European territorial cooperation prior to the identification of the programmatic instruments for its implementation;**
- 2. European territorial cooperation programs should be consistent with a common strategy, focused on a narrower set of objectives and better articulated with the other cross-border cooperation programs (IPA CBC and ENI-CBC), mainstream regional and sectoral programs and with Horizon 2020, LIFE, Erasmus and others initiatives;**
- 3. European territorial cooperation must be provided with common more significant and more effectively allocated financial resources in order to better achieve the objectives of the Cohesion Policy;**
- 4. European structural funds and investment appropriations for European territorial cooperation should be allocated to the program and not to the Member States, even for indicative purposes only;**
- 5. The criterion for allocating the financial resources to be used in the preparation of forthcoming European territorial cooperation programs should take into account of the uniqueness of each area of cooperation and of each territory and contribute to the convergence of the least developed regions;**

6. European territorial cooperation should continue to be structured in the current cooperation levels, and a new generation of transnational programs should be set up to implement formalized macro-regional strategies or to prepare regional strategies where macro-regional strategies do not exist;

7. Promote an effective strategic and operational monitoring of European territorial cooperation at European level and in each program, with an emphasis on the role of entities set up for European territorial cooperation with a legal nature and a permanent activity;

8. European territorial cooperation programs should incorporate a management model better suited to their supranational nature, adopting clear rules and administrative procedures, objectives, stable and properly publicized.

9. The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have their own and common legal and fiscal regime, which takes into account the nature and supranational scope of its activities, which should not be subject to the rules applicable to the place of its registered office, and its participation should be encouraged through an open and objective regulatory framework;

10. Adopt a model of calls for proposals and for the management of projects more in phase with the requirements and particularities of European Territorial Cooperation.



1.5. THE 10 PROPOSALS OF C4C

1. Adopt a common strategy for European territorial cooperation prior to the identification of the programmatic instruments for its implementation.

European territorial cooperation must be strengthened in its strategic and operational objectives and institutional models for its implementation. A new European Strategic Framework should emphasize European territorial cooperation as the main instrument to support the full realization of the single market, the main common response to ultra-nationalism and the need to create an effective European citizenship felt by citizens in their every day's life.

A common strategy for European territorial cooperation must be defined prior to the design of the model of implementation of cohesion policy and cannot be limited to the adoption every seven years of new regulations, which are almost confined to extensive, and complex administrative and financial provisions on European structural and investment funds.

In the European legal sphere and with the instrumental exception of the European groupings of territorial cooperation, cooperation has not existed beyond the limits of the rules for the application of European structural and investment funds.

The identification of a common strategy for European territorial cooperation should take into account the role of European cities and metropolitan areas, the physical and thematic diversity of the territories and the challenges faced by the institutions and the principles of subsidiarity and territorial cohesion foreseen in the Treaty, and should be defined in a **bottom up** way.

The need to find answers to growing migratory pressure opens up a new front for European territorial cooperation, particularly in the area of cooperation with the EU's neighbors (North Africa, pre-accession countries, IPA, Russia, and ENI) and the Outermost Regions and neighboring ACP countries. Because it is through this cooperation that better structured and effective responses, rather than purely police, can be found, in particular through the creation of spaces for balance and social integration.

The social integration of cities and metropolitan areas, the security of people and goods, sustainability and energy, competitiveness and innovation, governance and the development of shared services in cross-border territories, are thematic that should be included in the Common Strategy on European Territorial Cooperation.

In the identification of the common strategy for European territorial cooperation, as well as in the definition of programs and their management models, an effective implementation of the Code of Conduct should be promoted, ensuring the consistent participation of regional, local and urban authorities and entities already created for European territorial cooperation with a legal nature and a permanent activity.

2. European territorial cooperation programs should be consistent with a common strategy, focused on a narrower set of objectives and better articulated with the other cross-border cooperation programs (IPA CBC and ENI-CBC), mainstream regional and sectoral programs and with Horizon 2020, LIFE, Erasmus and others initiatives.

Due to the programming rules that have been adopted and the insufficient funding, most European territorial cooperation programs show a significant dispersion of initiatives across a wide range of objectives, which leads to a lower impact of the results obtained.

European territorial cooperation programs should be the programmatic instruments for implementing a common strategy for European territorial cooperation and be focused on a narrower and more justified set of objectives, targets and results to be achieved.

In order to correct the insufficient effectiveness of the results obtained in many of the programs, greater and effective synergy with the mainstream regional and sectoral programs and with the Horizon 2020, LIFE, Erasmus and others initiatives should be promoted. These programs should have a perspective of Labs for the development and consolidation of regional policy, making a minimum contribution to the objectives of European territorial cooperation and the urban agenda.

Complementarity and collaboration with the pre-accession countries, the neighborhood countries and Russia should be part of this strategy. Its instruments of cooperation (IPA-CBC and ENI-CBC) operate in the same territories of several programs of European territorial cooperation and in similar topics.

3. European territorial cooperation must be provided with common more significant and more effectively allocated financial resources in order to better achieve the objectives of the Cohesion Policy.

European territorial cooperation is today the main instrument to support the full realization of the single market. Bearing in mind that the internal cross-border regions and maritime territories are today the EU regions where the need to fully achievement of the single market is perceived, and is, as well, the main answer to the need to create an effective European citizenship felt by European citizens in their daily lives.

On the other hand, the new challenges facing the European Union as a whole, in particular on neighboring regions, as regards the need to find answers to the growing migratory pressures, by highlighting opportunities for greater trade, scientific and cultural exchanges with neighboring and pre-accession countries, open up a new front for European territorial cooperation, since it is the best way to find structured and effective responses, rather than merely police ones.

Consequently, to European territorial cooperation should be allocated more and more significant common financial resources, more effectively distributed in order to achieve in better conditions the objectives of the Cohesion Policy, by doubling current financial resources.

The contribution of European structural and investment funds should adopt sufficiently significant pre-financing mechanisms to stimulate the participation of organizations with less organizational capacity and fewer resources, increasing and generalizing the value of pre-financing projects to facilitate their implementation and, at least, maintaining the current levels of co-financing.

4. European structural funds and investment appropriations for European territorial cooperation should be allocated to the program and not to the Member States, even for indicative purposes only.

The rules for the application of European structural and investment funds to European territorial cooperation have so far not been able to reconcile and deepen the principles of transnationality of cooperation with the principle of Member States' financial responsibility for the use of such funds.

By allocating appropriations of funds for European territorial cooperation to each of the Member States, even if it is said that is indicative, the regulations end up subordinating these resources to the national financial and budgetary discipline rules, and place a significant constraint on the appropriate implementation according to the strict objectives of the program.

What is the meaning and purpose of allocating funds for European territorial cooperation by Member State rather than the program when the supranational nature of the interventions is encouraged? Even if an indicative nature is invoked, the allocation of an appropriation for European territorial cooperation to each member state implies submission to national rules.

Structural and investment European structural funds should be allocated to the program rather than to the Member States and should be given the model already successfully applied in the ENI CBC¹. It will thus be possible to promote a better articulation of the principle of transnational cooperation principle with the one of financial responsibility of the Member States for the resources allocated to them.

Thematic concentration and achievement of the program objectives should also be encouraged, while safeguarding the necessary flexibility in the thematic definition of programs, to promote a better and more responsive response to the challenges and particularities of each territory, city or metropolitan area.

5. The criterion for allocating the financial resources to be used in the preparation of forthcoming European territorial cooperation programs should take into account of the uniqueness of each area of cooperation and of each territory and contribute to the convergence of the least developed regions.

The “population” criterion that has been used by the European Union for the allocation of financial resources allocated under European territorial cooperation is heavily penalizing for the regions with the lowest cohesion indicators because they are those with the lowest population. The use of the criterion “population” tends to perpetuate the socio-economic disadvantages of these territories compared to other European regions, with a perverse result and contrary to the objectives of the Cohesion Policy.

This perverse result can be mitigated through the combined use of the concepts of population density, GDP per capita and employability.

The criterion for the distribution of the financial resources to be used in the preparation of the forthcoming European territorial cooperation programs should go beyond the population indicator and take into account of the uniqueness of each area of cooperation and of each cross-border territory and contribute to the convergence of regions less developed countries.

¹ Each MS contributes with an allocation from the ERDF not indicated in the OP and not previously recorded (pooled funding).

6. European territorial cooperation should continue to be structured in the current cooperation levels, and a new generation of transnational programs should be set up to implement formalized macro-regional strategies or to prepare regional strategies where macro-regional strategies do not exist.

While there is a need to introduce significant adjustments, European territorial cooperation should continue to be structured in the current cross-border, transnational and inter-regional cooperation levels.

At the cross-border level, European territorial cooperation should cover internal cross-border regions, border regions with neighboring countries of the European Union (southern and eastern shores of the Mediterranean, North Africa, pre-accession countries, IPA-CBC, Russia, ENI CBC) and the Outermost Regions and neighboring ACP countries.

Cooperation at the external borders of the European Union should stimulate direct articulation between institutions without the necessary participation of central States, in particular with the Portuguese-speaking countries (PALOP), Morocco, Algeria, Egypt, Jordan, Lebanon, Tunisia, Palestine, Israel, Ukraine and Moldova, where local and regional authorities and other entities are already very active.

This cooperation level should focus not only on solving the problems of citizens in cross-border territories and on the implementation of economic, environmental and social development strategies for cities, urban and metropolitan areas and border areas but also on their capacity to assume, as the engine of change, innovation and living lab on a scale of new policies close to the citizen.

At the interregional level, common responses should be found to the new problems posed by globalization and the new digital economy, with valuing the circumstance that it is the only program affecting the whole of the European Union.

The concept of maritime neighborhood cannot be conditioned by the anomalous administrative condition of fixing a single distance kilometer that does not comprise the diversity of the existing dynamics nor to the history of the relationships.

The current transnational programs show a significant dispersion of objectives and disarticulation with mainstream programs and cross-border cooperation programs. They also show an inertia of continuity in the respective management structures, and they are often mere instruments of affirmation by the regional authorities, reducing the intervention of cities and metropolitan areas to simple monitoring.

A new generation of transnational programs should be set up to implement formalized macro-regional strategies, or to support the development of regional strategies where they do not exist, which means that priority should be given to defining such strategies, while respecting the principle of subsidiarity and a process bottom up, the programs becoming instruments of their implementation.

Macro-regional strategies should emerge from regional policy and be based on participation and consensus with regional, local and urban authorities as well as entities set up for European territorial cooperation with a legal nature and a permanent activity, observing the principle of partnership. Territorial agents (local, regional, economic, and social actors) should participate in both the definition and the management bodies of the macro-region, which should also be recognized by the COM.

The cross-border and peripheral regions of the European Union are likely to benefit greatly from this approach, in particular as regards macro-regional strategies for the Danube, the Atlantic, the Baltic, the Mediterranean, the Adriatic and Ionian and the Black Sea, among others.

7. Promote an effective strategic and operational monitoring of European territorial cooperation at European level and in each program, with an emphasis on the role of entities set up for European territorial cooperation with a legal nature and a permanent activity.

Effective monitoring of European territorial cooperation programs in the strategic and operational levels is a critical element in targeting objectives and achieving the desired results. Entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity should have a greater participation in the definition of objectives and programs and their monitoring.

At European level, the European Commission should promote the creation of a European forum of entities set up for European territorial cooperation with a legal nature and a permanent activity, integrating local authorities and their networks. With them COM can promote an annual evaluation of the European territorial cooperation in the various levels and spaces, as an equivalent to the figure of the annual meeting of the Commission with each of the Member States, with a possibility to operate as well in a thematic forums approach.

The work of this **European Forum for Territorial Cooperation** should be supported and stimulated through the creation of a **European Observatory for Territorial Cooperation**, independent from the European Commission in its operation.

In order to support the intended strategic focus, **monitoring committees should play a more important and effective role in monitoring programs**. A revised model of the functioning, representation and organization of the monitoring committees, in order to favor their role in strategic and operational monitoring, presupposes and requires a greater and more effective participation of the entities created for the development of initiatives for territorial cooperation European Union, with a legal nature and a permanent activity.

8. European territorial cooperation programs should incorporate a management model better suited to their supranational nature, adopting clear rules and administrative procedures, objectives, stable and properly publicized.

The identification of management, certification, payment and audit authorities and the definition of their responsibilities should better incorporate the supranational nature of European territorial cooperation programs and be better articulated with the principle of Member States' financial responsibility.

The same supranational nature reinforces the indispensable safeguard of full application of the principle of prior publication of all the rules, rules and procedures to be used in the implementation of the program. The deadlines to be observed in the application of management acts must be publicized and effectively observed.

The responsibilities of the joint technical secretariats should be better adapted to the tasks assigned to the managing authorities in order to avoid the regrettably frequent disarticulation and repetition of tasks observed today.

The Code of Conduct for Multilevel Governance should be effectively implemented by encouraging the participation of regional, local and urban authorities and entities set up for European territorial cooperation with a legal nature and a permanent activity in the definition of programs and rules for its application and the management and evaluation model. Greater scrutiny should be ensured for the desirable participation of external experts in the evaluation of applications, ensuring prior qualification practices (the establishment of experts' data basis) and the dissemination of the experts involved.

9. The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have their own and common legal and fiscal regime, which takes into account the nature and supranational scope of its activities, which should not be subject to the rules applicable to the place of its registered office, and its participation should be encouraged through an open and objective regulatory framework.

European territorial cooperation could become the area of application of the European structural and investment funds which better and more widely apply the principles of subsidiarity and multilevel governance, as long as there is a greater involvement of the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, such as associations and networks of cities.

The management model of European territorial cooperation programs should take into account the specificities of cooperation and its supranational impact and cannot be a mere copy of the regulatory model for the mainstream sectorial or regional programs.

Participation should be encouraged in the development of initiatives for European territorial cooperation, by entities with a legal nature and a permanent activity, in the management of the programs. This participation shall exist through an open and objective legal framework, contrary to the priority given so far to intervention of regional and central government authorities, whose intervention should be reoriented to perform the functions of compliance, control and certification.

In this perspective, the involvement of local authorities and cooperation networks should be strengthened in line with urban policy and multilevel governance stimulated by the European Commission and the dynamics created by the Urban Agenda.

New and increased responsibilities in the management of programs by entities set up to develop initiatives for European territorial cooperation, with a legal nature and a permanent activity, will make a significant contribution to administrative simplification and the necessary segregation of duties.

The functions of managing authority should not be attributed to the MS or the entities to which they decide to arbitrarily allocate. The regulation of European territorial cooperation for the post 2020 period should provide for and define an open and objective framework for initiatives that demonstrate transnationality, organization and management capacity.

The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have a proper and common legal, financial and fiscal regime, which takes into account the nature and supranational scope of its action and that it should not be subject to the rules applicable to the place of its registered office.

The EGTC implementation experience also highlights that for their creation there is a need to release them from the obstacles, constraints and uncertainties of the Member States' administrations and to simplify the procedures for transforming EGTCs of already established legal entities.

The Regulation establishing the European Grouping of Territorial Cooperation (EGTC) represents until now the only regulatory initiative of the European Union that goes beyond the strict application of European structural and investment funds, which is applauded and recognized as important.

However, European legislation is silent on the tax regime for EGTCs and establishes the principle of the location of the EGTC headquarters in one of the Member States (two in most EGTCs) and the inherent submission to its administrative, financial and tax rules. That is to say, it encourages the creation of a supranational organization with legal personality, oriented to a uniform operation in a supranational cooperation space, but that is conditioned and submitted to the rules of one of the Member States.

10. Adopt a model of calls for proposals and for the management of projects more in phase with the requirements and particularities of European Territorial Cooperation.

European regulations for the post 2020 period should develop and implement a **model of calls for proposals that is better suited to the requirements and particularities of European territorial cooperation** and the need for greater strategic focus, including namely:

- Launch **more structured and territorially oriented needs calls for proposals**, favoring a better evaluation of the relative merits of the applications submitted, a better analysis work distributed throughout the year, with shorter decision times and adjusted to the expectations and needs of the promoters.

- To encourage the **submission and approval of multi-annual work plans**, in particular for entities created for the development of initiatives for European territorial cooperation, with a legal nature and permanent activity, thus improving the strategic coherence of the program and the predictability of action for the promoters of cooperation;
- Promote the pre-qualification of the promoters of the operations to support, by means of a two-stage application, the first one based on a proposed project summary and the second phase, only for the preselected ideas, based on the detailed and complete application;
- **Limit the number of applications to be presented by each partner**, favoring the concentration of approved funds;
- Facilitate the principle of relating each operation to a specific objective and the corresponding main axis result indicators, avoiding the artificial reduction of the impact of operations that tend to have a wide range of actions;
- Simplify management, reporting and payment procedures by promoting a better balance between the weight of management resources allocated to the achievement of objectives (effectiveness) and the necessary safeguarding of the regularity of operations and the use of funds, in line with the principles of financial regulation;
- Provide for adaptation of the rules for the application of European structural and investment funds to the specific constraints of the EU's neighboring countries in the context of external cross-border cooperation;
- Facilitate the participation of partners from territories outside the program boundaries that can add value to the achievement of the objectives of the operations;
- Promote more flexible forms of participation, such as support for the operation of city networks, town twinning, peer-reviews, capacity building, etc., enabling cities with less technical resources and less experience to benefit from European territorial cooperation;
- We agree with the orientation of the European Commission to reinforce the relevant cooperation partners (stakeholders), but there is a need to clarify their concept, role and funding possibilities for their participation.
- The European Commission should promote the clarification and dissemination of state aid rules that should apply to European territorial cooperation programs.



1.6. PRESENTATION OF THE ENTITIES



Cities for Cooperation Platform

C4C - Cities for Cooperation is a platform of non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of programs integrated in the various plans of European territorial cooperation, constituted with the objective of promoting reflection on the future of post 2020 Cohesion Policy in general and on the future of European territorial cooperation in particular.

It considers that the peripheral regions of the European Union have a common vision on the importance of European territorial cooperation in their territories and on the adjustments that need to be made to strengthen their role in European integration.

Constituted by **RIET - Iberian Network of Cross border Cooperation Entities**, by **MEDCITIES - Mediterranean Cities Network**, by the **CCAA - Conference of Atlantic Arc Cities** and by **FAIC - Forum of Adriatic and Ionian Cities**, it is proposed to promote a broad debate and the identification of common problems and solutions adjusted to reality of the peripheral regions of the European Union, regions in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.



RIET - Iberian Network of Cross border Cooperation Entities, is a cross-border association of territorial cooperation, established in 2009 by organizations of proximity, in the border of Spain and Portugal, under the Treaty of Valencia.

Established as a cooperation network, which strengthens the intervention, promotes local, regional, national and European cooperation, thus contributing to the ultimate goal of improving the citizens' quality of life.

It promotes a space for reflection on the role of cross-border organizations in the development of Iberian cooperation and its visibility on a European scale and the development of strategic reflection and work on cross-border issues of European interest in general and the Spain - Portugal border in particular.

It is composed of 23 associated entities, associations of municipalities, entities created for cross-border cooperation, business associations and universities.



MEDCITIES - The Mediterranean Cities Network, created in Barcelona in November 1991 as an initiative of the Mediterranean Environmental Technical Assistance Program, aims to strengthen decentralized interventions involving technical assistance as a way of promoting the importance of urban environmental problems, and aiming to reinforce municipal power in developing countries.

Being a network of Mediterranean communities and cities belonging to different countries, it aims at sustainable urban development as a way of improving living conditions in the regions.

The network comprises more than 50 cities in 14 Mediterranean countries, such as: Agadir, Alejandria, Ancona, Antalya, Barcelona, Commonwealth of Batroun, Benghazi, Bizerte, Chefchaouen, Commonwealth of Darnieh, Djerba, Dubrovnik, El Fayhaa Urban Community, El Mina, Gabes, Gaza, Izmir, Jbeil (Byblos), Commonwealth of Jezzine, Kairouan, Commonwealth of Koura, Larnaka, Lemesos, Mahdia, Málaga, Marseille, Monastir, M'Saken, Nabeul, Roma, Saida, Sfax, Sidi Bou Said, Sousse, Tanger, Tétouan, Tirana, Tripoli, Tunis, Oran, Zarqa, Zgharta-Ehden and Metropolitan Area of Barcelona.

Conference of Atlantic Arc Cities - Conférence des Villes de l'Arc Atlantique



Conferencia de las Ciudades del Arco Atlántico - Conferência das Cidades do Arco Atlântico

CCAA - Conference of Atlantic Arc Cities is a network of territorial cooperation, based on the particular identity of the Atlantic Cities. Since 2000, the Atlantic Arc Cities Conference has stated its position as the Atlantic Urban Forum, facilitating cooperation between its members and other stakeholders, such as raising the awareness of the European institutions on issues of Atlantic cities' concern.

It assumes itself as a club of the Atlantic cities: The Urban Forum of the European Atlantic facade and as a Community that includes both cities and other actors, and, above all, citizens. It promotes campaigning, cooperation through European projects and presents itself as a resource center for Atlantic cities, ensuring that their activities contribute to the information, training and enhancement of members' European activities.

It consists of 18 members representing 200 local entities that make up the Atlantic Arc.



On the initiative of the Municipality of Ancona and ANCI (Italian National Association of Municipalities) and with the approval of the "Charter of Ancona", on 30th of April 1999 the **Forum of Adriatic and Ionian Cities** was constituted in Ancona. This association brings together the cities of the 7 countries of the Adriatic-Ionian Basin: Italy, Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Albania and Greece.

The Forum aims to build and develop the economic, social, environmental and cultural heritage of the Adriatic and Ionian cities and to collaborate on European integration and enlargement. It pursues this goal by promoting innovative forms of multi-level decentralized cooperation and partnerships among local authorities of the member Countries.



**MEASURES TO IMPLEMENT
THE C4C PROPOSALS.
A CONTRIBUTION FROM
EUROPEAN CITIES
FOR A COMMON FUTURE**


2

MEASURES TO IMPLEMENT THE C4C PROPOSALS. A CONTRIBUTION FROM EUROPEAN CITIES FOR A COMMON FUTURE



2.1. PREVIOUS NOTE

RIET – Iberian Network of Cross Border Cooperation Entities, a cross-border association for territorial cooperation, established in 2009 by proximity organisations of the Spanish and Portuguese borders, under the Treaty of Valencia,

MEDCITIES – Mediterranean Cities Network, established in Barcelona in November 1991, whose activity is geared towards sustainable urban development,

CCAA – Atlantic Artic Cities Conference, a territorial cooperation network, based on the particular identity of the Atlantic Cities, established in 2000, constituting itself as an Atlantic urban forum,

FAIC – Forum of Adriatic and Ionian Cities, association constituted in Ancona in 1999 by 60 cities of the 8 countries of the Adriatic-Ionian Basin as a forum for social, environmental and cultural development of the Adriatic and Ionian cities,

non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of integrated programs in the various European Territorial Cooperation strands, consider appropriate to promote reflexion on the future of Cohesion Policy post 2020 in general and on the **future of the European Territorial Cooperation** in particular.

In order to promote this reflection and to disseminate the conclusions and results obtained, they decided to constitute the **C4C – Cities for Cooperation Platform**, aiming to promote a broad debate and the identification of common problems and solutions adjusted to the common reality of cities and metropolitan areas of the peripheral regions of the European Union, in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.

Based on the experience gained and as a result of the technical reflection promoted, they produced a first document entitled **25 years of European Territorial Cooperation. Towards a Europe of Europeans - European territorial cooperation and cohesion policy. A contribution from European cities to a common future**, in which they synthesized a set of 10 proposals on the future of European territorial cooperation and cross-border cooperation with non-EU countries.

Assuming the expectation of the organizations specifically created for cooperation that intervene in the peripheral territories of the European Union, and which have a vast and even experience, it is proposed to deepen a dialogue already begun with the European Commission and that they wish to be regular and constructive, stimulated by the favorable reception of the first document from the Commissioner responsible for Regional Policy.

Thus, in the logical continuity of the first document and taking full account of the foundations and framework of the previously formulated proposals, the **C4C - Cities for Cooperation Platform now presents regulatory and normative measures aimed at achieving its 10 initial proposals, deepening its contribution for the future of Cohesion Policy and for European territorial cooperation for the post-2020 period.**



2.2. MEASURES FOR A REINFORCED EUROPEAN TERRITORIAL COOPERATION

In the logical development of the proposals presented in its previous document, which were well received by the Commissioner for Regional Development, the **C4C - Cities for Cooperation Platform** was encouraged to deepen its thinking and to present regulatory and regulatory measures, which are intended to implement the initial proposals.

The measures for the implementation of the **C4C - Cities for Cooperation Platform** proposals are summarily presented and justified, accompanied by the identification of the existing regulatory provisions that need to be modified in order to achieve them. The proposed measures are systematized as follows:

- ▶ Strategic vision
- ▶ Governance
- ▶ Financing
- ▶ Management and control

1. For a new strategic vision of the European territorial cooperation

1.1

A new Common Strategic Framework should strengthen European territorial cooperation in its strategic and operational objectives and institutional models for its implementation.

A new Common Strategic Framework should emphasize European territorial cooperation as the main instrument to support the full realization of the single market and the main common response to populisms and the need to create an effective and citizenship of citizens in everyday life.

A common strategy for European territorial cooperation should be defined before designing the model for the implementation of cohesion policy.

Reg. 1303/2013

Arts. 10 and 11

Annex I

Recitals

16 to 19

1.2

The common strategy for European territorial cooperation should cover territorial cohesion, the harmonious development of the European Union and neighboring territories, the social integration of cities and metropolitan areas, the security of people and goods, sustainable development and energy, competitiveness and innovation, mobility, maritime policy, governance and the development of shared services in crossborder territories.

The new common challenges in economic, social and environmental development open up a new front for European

Reg. 1303/2013

Arts. 10 and 11

Annex I

Recitals

16 to 19 and 31

territorial cooperation, in particular in what concerns cooperation with the European Union's neighbors (North Africa, pre-accession countries, IPA, Russia, ENI) and the Outermost Regions and neighboring ACP countries, because it is through this that structured and effective rather than merely police responses to increasing migratory pressure will be found, in particular through the creation of spaces for balance and social integration.

Cross-border cooperation should help overcome obstacles to investment and facilitate exchanges to improve the living conditions of cross-border populations.

A common cross-border strategy should stimulate the evolution towards a cross-border regional and local administration that favors the creation of common services.

To promote greater and effective synergy between European territorial cooperation, with particular relevance to cross-border cooperation, mainstream regional and sector programs, Neighboring and Pre-Accession programs, Horizon 2020, LIFE, Erasmus and others.

The synergy to be pursued must aim at Horizon 2020, LIFE, Erasmus and others as laboratories for the development and consolidation of regional policy, **providing a minimum contribution to the objectives of European territorial cooperation and the urban agenda.**

2.2

European territorial cooperation programs should not support actions eligible for mainstream programs and Horizon 2020, LIFE, Erasmus and others.

Complementarity and collaboration with the pre-accession countries, with those in the neighborhood, should be part of this strategy. Its instruments of cooperation (IPA-CBC and ENI-CBC) operate in the same territories of several programs of European territorial cooperation and in similar topics.

Reg. 1303/2013

Arts. 14 and 15

Annex I, points

3, 4 and 7

Recitals

10 to 15

Reg. 1299/2013

Art. 8

2.3

To promote an effective synergy and articulation between European territorial cooperation programs that have an impact on the same territory, stimulating an articulation between strategies and a greater differentiation between objectives and investment priorities.

Reg. 1299/2013
Arts. 7 and 8

2.1

European territorial cooperation programs should be focused on a set of objectives, targets and results, tailored to the geographic and socio-economic reality of the territories and stimulate stakeholder participation.

They should be the programmatic instrument for implementing a common strategy for European territorial cooperation and be focused on a narrow and justified set of objectives, targets and results, adapted to the reality and diversity of the geographical, social and economic conditions of each territory in whose definition the participation of public and private stakeholders should be promoted.

Due to the programming rules that have been adopted and the insufficient funding, most European territorial cooperation programs show a significant dispersion of initiatives by a broad range of objectives and a consumption of financial resources in actions that can be supported through the mainstream programs, the Horizon 2020, LIFE, Erasmus and other initiatives, which leads to a lower impact of the results achieved.

It is important to avoid the support of European territorial cooperation resources for actions and thematic which benefit from funding through other programs' measures.

Reg. 1303/2013
Art. 18
Recital 24

Reg. 1299/2013
Arts. 6 and 7
Recital 5

6.1

European territorial cooperation should continue to be structured in the current strands for cross-border, transnational and interregional cooperation.

Reg. 1299/2013
Art. 2

6.2

At the cross-border level, European territorial cooperation should cover internal crossborder regions, border regions with neighboring countries of the European Union (southern and eastern shores of the Mediterranean, pre-accession countries, IPA-CBC, Russia, ENI CBC) and the Outermost Regions and neighboring ACP countries.

Reg. 1299/2013

Art. 3

Recital 5

6.3

Cross-border cooperation should focus on addressing the problems of citizens, crossborder territories and cities, and implementing economic, environmental and social development strategies for cities, urban and metropolitan areas and border areas.

It should also be assumed, in general, as the engine of change, innovation and living lab on a scale of new policies close to the citizen.

Cooperation at the external borders of the European Union should stimulate direct articulation between institutions without the participation of the central States, where local and regional authorities and other entities are already very active.

Reg. 1299/2013

Art. 3

Recitals 9 and 16

6.6

A new generation of transnational programs should be set up to implement formalized macro-regional strategies, or to support the development of regional strategies where they do not exist, for example the Atlantic, the Mediterranean and the Black Sea, which means giving priority to the definition of these strategies, respecting the principle of subsidiarity and a bottom-up process, with programs becoming instruments for their implementation.

The current transnational programs show a significant dispersion of objectives and disarticulation with mainstream programs and cross-border cooperation programs.

Reg. 1299/2013

Arts. 2 e 3

Recital 6

Macro-regional strategies should emerge from regional policy and be based on participation and consensus with regional, local and urban authorities and entities set up for European territorial cooperation with a legal nature and a permanent activity, observing the principle of partnership. Territorial agents (local, regional, economic, and social actors) should participate in both the definition and the management bodies of the macro-region, which should also be recognized by the COM.

The cross-border and peripheral regions of the European Union are likely to benefit greatly from this approach, in particular with regard to existing macro-regional strategies such as the Danube, the Baltic, Alps and the Adriatic-Ionian, and are still under preparation, such as the Atlantic, Mediterranean or Black Sea, among others.

6.4

The concept of border and cross border territories should include maritime neighborhood and this should not be conditioned by the anomalous administrative constraint of setting a single distance kilometer.

The sea is also a border. The maritime neighborhood cannot be limited by the administrative abstraction of setting a single distance (150 km for cross-border cooperation) which does not address the diversity of existing dynamics or the history of relations.

It is important to consider the mutual interest in the development of economic relations, the tradition of economic and cooperation relations, the fluidity of maritime links and the existence of common economic projects.

Reg. 1299/2013
Arts. 3 and 1

6.5

At the interregional level, common responses should be found to the new problems posed by globalization and the new economy, e.g. industry 4.0, energy transition and circular economy, having in mind that it is the only program affecting the whole of the European Union.

Reg. 1299/2013
Arts. 2 and 3
Recital 7

2. For a new governance model more participated

7.1

To promote the creation of a European Forum for Territorial Cooperation. A forum for bodies set up for European territorial cooperation with a legal nature and a permanent activity, integrating local authorities and their networks, with them promoting an annual evaluation of European territorial cooperation in the various strands and spaces, constituting an equivalent to the figure of the annual meeting of the Commission with each of the MS, and can function in a thematic forums approach.

Effective monitoring of European territorial cooperation programs in the strategic and operational plans is a critical element in targeting and achieving the desired results. Entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity should have a greater participation in the definition of objectives and programs and their monitoring.

Reg. 1303/2013

Recitals
48 and 50

Reg. 1299/2013

Chapter IV,
new article

7.2

Promote the creation of a European Observatory for Territorial Cooperation, independent of the European Commission in its operation, should be promoted to give substantive support to the work of the European Forum for Territorial Cooperation.

In accordance with the principle of transparency, support for the establishment and functioning of the European Observatory for Territorial Cooperation should be ensured by entities created specifically for European territorial cooperation, to be selected through a public procurement procedure, and its operation is supported by the technical assistance budget of the European Commission.

Reg. 1303/2013

Recital 48

Reg. 1299/2013

Chapter IV,
new article

7.3

Promote an effective and binding implementation of the European Code of Conduct on Partnerships in European Territorial Cooperation.

The effective and binding implementation of the Code of Conduct should begin with the design of the program, the configuration of the monitoring and management bodies, and all along the implementation of the program.

The European Forum for Territorial Cooperation should pay particular attention to the implementation of the Code of Conduct by MS.

Participation of entities created for the development of European territorial cooperation initiatives, with a legal nature and a permanent activity, should be stimulated for the definition and management of programs, through an open and objective legal framework, contrary to the priority given to date to authorities of the regional and central administrations.

Reg. 1303/2013

Art. 110

Recitals

48 and 97

Reg. 1299/2013

Chapter IV,

new article

7.4

The elaboration of the European territorial cooperation programs should be initiated by the establishment and functioning of their Monitoring Committees.

The relevant MS authorities covered by the program shall draw up a draft program in partnership with the Monitoring Committee, including the definition of the program strategy, objectives and priorities, the program itself and the designation of the management and control bodies.

The program proposal is submitted for adoption to the European Commission, accompanied by the binding of MS with this proposal and by a detailed and without reserves' opinion of the Monitoring Committee.

In the drawing up the European territorial cooperation program procedure, in addition to the participation of the members of the monitoring committee, the participation and consultation of the majority of stakeholders in the territories shall be promoted.

Reg. 1303/2013

Arts. 26, 29

and 110

Reg. 1299/2013

Art. 8

7.5

The Monitoring Committees should play a more relevant and strengthened role and representation, for more effective monitoring of programs.

A revised model of the functioning, representation and organization of the monitoring committees in favor of their role in the strategic and operational follow-up, presupposes and requires a greater and more effective participation of the entities created specifically for the development of initiatives for cooperation European territoriality, with a legal nature and a permanent activity and that show an effective representation of interests.

The monitoring committees should include, as full members, entities created specifically for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity in the territory of application of the program and that show an effective representation of the interests and actors of European territorial cooperation.

Reg. 1303/2013

Art. 110

Recitals

48 and 97

Reg. 1299/2013

Chapter IV,

new article

8.1

The appointment of managing authorities should be based on a public application procedure also open to entities with legal personality created for European territorial cooperation, in application of the principle of transparency and the Code of Conduct.

Candidates for management authority must have a legal status and a status compatible with the supranational nature of European territorial cooperation programs, evidence of appropriate means for managing the program and the ability to interact with partners and stakeholders in the territory.

The appointment of management authorities based on a transparent public procurement procedure allows the inertia of continuity of to date management structures to be ended. These ones are often limited to be single instruments of regional authorities, reducing the intervention of cities and metropolitan areas to a simple and formal follow-up.

Reg. 1303/2013

Art. 123

Annex XIII

Recital 106

Reg. 1299/2013

Art. 21

Recital 32

The functions of managing authority should not be attributed to the MS or the entities to which they decide to appoint arbitrarily. The regulation of European territorial cooperation for the period after 2020 should provide and define an open and objective framework for initiatives that value the principle of subsidiarity.

The involvement of local authorities and cooperation networks should be strengthened in line with urban policy and multilevel governance, stimulated by the European Commission and the dynamics created by the Urban Agenda.

The new and increased responsibilities in the management of programs by entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity will make a significant contribution to the administrative simplification and necessary segregation with the functions of compliance, certification and control.

European territorial cooperation could become the area of application of the European structural and investment funds, which will apply better, and more widely the principles of subsidiarity and multilevel governance. As long as there is a greater involvement of the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, such as associations and cities networks.

8.2

The intervention of the authorities of central and regional administrations should be reoriented to perform the functions of compliance, control and certification.

The identification of certification, payment and audit authorities and the definition of their responsibilities should better incorporate the supranational nature of European territorial cooperation programs.

Reg. 1303/2013

Art. 123

Annex XIII

Reg. 1299/2013

Art. 21

Recital 32

8.7

Strengthen the participation of the relevant territorial cooperation partners (stakeholders) in the definition, implementation and monitoring of the program, with a view to clarifying its concept, role and financing possibilities for its participation.

The independence of the management bodies of the program cannot be conditioned by the participation of the regional authorities.

Reg. 1299/2013
Art. 8 and 13

7.6

Promote the effective application of Integrated Territorial Instruments (ITI) in crossborder cooperation programs, by associating them with global grants and the exercise of delegated management functions as an intermediate body, through specific calls for proposals.

Reg. 1299/2013
Art. 11

9.1

The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have a proper and common legal, financial and fiscal regime. Which takes into account the nature and supranational scope of its action, and that it should not be subject to the rules applicable to the place of its registered office.

The Regulation establishing the European Grouping of Territorial Cooperation (EGTC) represents until now the only regulatory initiative of the European Union that goes beyond the strict application of European structural and investment funds, which is applauded and recognized as important.

However, European legislation is silent on the tax regime for EGTCs and establishes the principle of the location of the EGTC in one of the Member States (two in most EGTCs) and the inherent submission to its administrative, financial and tax rules. That is to say, it encourages the creation of a supranational organization with legal personality, oriented to a uniform operation in a supranational cooperation space, but that is conditioned and submitted to the rules of one of the Member States.

Reg. 1082/2006
Art. 1
Recital 8

9.3

Establish euro-regional and macro regional criteria for the application of these legal frameworks in the management and implementation of European structural and investment funds for European territorial cooperation.

These criteria should include and ensure good governance, representativeness and transparency of the constitution and operation procedures.

These principles should also apply to EGTCs.

Reg. 1299/2013
Chapter III
New article

10.8

Facilitate the participation of partners from territories outside the program boundaries that can add value to the achievement of the objectives of operations;

Reg. 1299/2013
Art. 26

10.9

Promoting more flexible forms of participation, such as support for the operation of city networks, town twinning, peer reviews, capacity building, etc., enabling cities with less technical resources and less experience to benefit from European territorial cooperation.

Reg. 1299/2013
Art. 13
Recital 19

3. For a financing closer to the needs

3.1

European territorial cooperation must be provided with more and more significant common financial resources, more effectively allocated to better achieve the objectives of Cohesion Policy, ensuring the duplication of present financial resources.

European territorial cooperation is now the main instrument to support the full realization of the single market, bearing in mind that the internal cross-border regions and maritime territories are today the regions in which the need to fully achieve the single market is felt, and is also the main answer to the need to create an effective European citizenship felt by European citizens in their daily lives.

Reg. 1303/2013
Art. 92 n° 9

COM Decision
2014/190

Reg. 1299/2013
Art. 4

On the other hand, the new challenges facing the European Union as a whole, albeit with a special focus on neighboring regions, as regards the need to find answers to the growing migratory pressures, by highlighting opportunities for greater trade, scientific and cultural exchanges with neighboring and pre-accession countries, open up a new front for European territorial cooperation, since it is best to find structured and effective responses, rather than merely police ones.

The European structural funds and investment funds credits for European territorial cooperation should be allocated to the program and not to the Member States.

Albeit in line with their decision at the European Council, while welcoming the model already successfully applied in the interregional strand of European territorial cooperation and in the ENI CBC.

4.1

It will thus be possible to promote better articulation of the principle of the transnationality of European territorial cooperation with the principle of financial responsibility of the Member States for the resources allocated to them, which has so far not been possible to reconcile.

What is the meaning and purpose of allocating funds for European territorial cooperation by Member State rather than the program when the supranational nature of the interventions is encouraged? Even if an indicative nature is invoked, the allocation of an appropriation for European territorial cooperation to each state implies submission to national quotas.

Reg. 1313/2013

Arts. 91 and 92

Reg. 1299/2013

Art. 4

COM Decision

2014/190

5.1

The criterion “population” for the allocation of financial resources to programs should be put together with the concepts of population density, GDPpc and employability and others related to social inclusion, competitiveness and innovation.

The criterion for the distribution of the financial resources to be used in the preparation of the forthcoming European territorial cooperation programs **should go beyond the population indicator and take account of the uniqueness of each area of cooperation and of each cross-border territory and contribute to the convergence of regions less developed countries.**

The “population” criterion that has been used by the European Union for the allocation of financial resources allocated under European territorial cooperation is heavily penalized for the regions with the lowest cohesion indicators because they are both those with the lowest population. The use of the criterion “population” tends to perpetuate the socioeconomic disadvantages of these territories compared with other European regions, with a perverse result and contrary to the objectives of the Cohesion Policy.

Reg. 1313/2013
Arts. 14 and 15
Annex VIII, point 8

COM Decision
2014/190

Reg. 1299/2013
Recital 14

3.2

The contribution of European structural and investment funds should adopt sufficiently significant pre-financing mechanisms to stimulate the participation of organizations with less financial capacity, allowing a pre-financing value to projects to facilitate their implementation, following the ENI CBC model.

The value of pre-financing to the program must be fully channeled to the start of operations.

Reg. 1303/2013
Arts. 81 and 134

9.4

Promote the creation of a European register of EGTCs and bodies set up to develop initiatives for European territorial cooperation, with a legal nature and a permanent activity.

The entities included in this common register should be able to benefit from support for their operation, through specific calls for each program, may include modalities similar to operating grants, and ensuring that there are no double financing.

Reg. 1299/2013
Art. 13

4. For a new management and control model, simpler and more effective

8.5

The Code of Conduct for multilevel governance should be effectively applied in the implementation of European territorial cooperation programs.

The participation of bodies set up for European territorial cooperation with a legal nature and a permanent activity and of regional, local and urban authorities should be encouraged in the definition of programs and rules for their implementation and in the management and evaluation model.

Reg. 1299/2013
Chapter III
New article

8.5

Ensure full application of the principle of prior publication of all rules, rules and procedures to be applied in the implementation of European territorial cooperation programs, including management and control procedures, should be ensured.

The deadlines to be observed in the application of management acts should be publicized and effectively observed by the program authorities.

It is important to promote a general simplification of management procedures and to adopt objective and binding deadlines for the various levels of implementation of the program, including the European Commission.

Reg. 1303/2013
Chapter II
New article

Reg. 1299/2013
Chapter IV
New article

8.4

The functions of the joint technical secretariats should be better articulated with those assigned to the managing authorities in order to avoid the regrettably frequent disarticulation and repetition of tasks observed today.

The management and control system of the program should take account of controls already carried out by central and regional administrations and avoid duplication of procedures.

Reg. 1303/2013
Recital 66

Reg. 1299/2013
Art. 23
Recital 33

9.2

Simplify the procedures for the recognition of EGTCs and foresee the possibility of the evolution into EGTC of entities with legal personality already constituted.

Experience in the application of the EGTC figure highlights the need to release initiatives to create the barriers, constraints and uncertainties of Member States' administrations.

The evolution to EGTC of entities created for the development of initiatives for European territorial cooperation, with a legal nature and an existing permanent activity is not foreseen in the current regulation.

Reg. 1082/2006
Art. 4

10.6

Simplify management, reporting and payment procedures by promoting a better balance between the weight of management resources allocated to the achievement of objectives (effectiveness) and the necessary safeguarding of the regularity of operations and the use of funds, in line with the principles of the Financial Regulation;

Reg. 1299/2013
Art. 23

10.7

Promote uniform application of management and control procedures in all regions participating in the European territorial cooperation program, in legal, administrative and financial terms.

Expenditure validation procedures, also referred to as internal control, should be significantly simplified to encourage

Reg. 1299/2013
Art. 23 and 26
Recitals
13, 19, 21 and 23

the implementation of operations, a simplification that does not affect the necessary security and regularity of program expenditure.

The European Commission should promote harmonization of the rules and administrative procedures for internal control of European territorial cooperation programs, which are very different in the MS, in particular within the same program.

Provide for an adjustment of the rules governing the application of European structural and investment funds to the specific constraints of the countries neighboring the European Union in the context of cross-border external cooperation.

Promote the clarification and dissemination of state aid rules that European territorial cooperation programs should observe.

8.8

Management manuals for beneficiaries shall describe in sufficient detail the procedures in force in the territories where the program is implemented.

Particular attention should be given to the training of the technical teams of the joint technical secretariats and the managing authorities in matters of competition and state aid.

Reg. 1299/2013
Art. 18

Promote greater scrutiny of the desirable participation of external experts in the evaluation of applications, ensuring prior qualification practices (the establishment of expert's fellowships) and the dissemination of the experts involved.

8.6

Reg. 1299/2013
Art. 12

10.1

To launch more structured and territorially oriented calls for proposals, favoring a better evaluation of the relative merits of the applications presented, a better analysis work distributed throughout the year, with shorter decision times and adjusted to the expectations and needs of the promoters.

The definition of the notices must oblige the decision of the Monitoring Committee, in which the most relevant stakeholders in the territory, identified on the basis of criteria of representativeness and experience, must participate fully.

Reg. 1299/2013
Art. 12

10.3

Promote the pre-qualification of the promoters of operations to support, through a two-stage application, the first on the basis of a summary proposal of the project and the second phase, only for the pre-selected ideas, based on the detailed and complete application.

Through this procedure, reducing the number of applications that will be the subject of selection analysis favors compliance with the $n + 3$ rule, which is often limited to $n + 0$ for the beneficiaries due to the time-lag of the management acts related to the launching of the calls, analysis and selection of applications.

Reg. 1299/2013
Arts. 12 and 13

10.2

To favor the submission and approval of multiannual work plans, which may cover more than one investment priority / axis, in particular for entities set up for the development of initiatives for European territorial cooperation, with a legal nature and permanent activity, improving thus the strategic coherence of the program and the predictability of action for the promoters of cooperation.

Reg. 1303/2013
Recital 96

Reg. 1299/2013
Art. 9 and 12

10.4

Limit the number of applications to be submitted by each partner, favoring the concentration of approved funds.

Reg. 1299/2013
Arts. 12 and 13

10.5

Facilitate the application of the principle of the relation of each operation to a specific objective and the corresponding main axis result indicators, avoiding the artificial reduction of the impact of operations that tend to have a wide range of actions.

The possibility of the same operation to carry out actions relating to more than one priority axis of the program must be ensured, subject to the objective identification and quantification of the actions, objectives and resources that relate to each priority axis.

Reg. 1299/2013
Art. 16
Recital 27

8.9

Improve the quality of audits of program management and control systems and audit operations, by establishing a pool of external auditors in each European territorial cooperation program through the adoption of public procurement procedures with prior qualification, aiming at the constitution of a pool of auditors in each European territorial cooperation program.

The pre-qualification requirements of the auditing entities shall include the minimum profile requirements for the auditors who will constitute the teams, their qualifications and experience in financial auditing.

Reg. 1303/2013
Chapter III
New article

Reg. 1299/2013
Art. 25



2.3. PRESENTATION OF THE ENTITIES THAT INTEGRATE C4C



Cities for Cooperation Platform

C4C - Cities for Cooperation is a platform of non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of programs integrated in the various strands of European territorial cooperation. It was constituted with the objective of promoting reflection on the future of post 2020 Cohesion Policy in general and on the future of European territorial cooperation in particular.

It considers that the peripheral regions of the European Union have a common vision on the importance of European territorial cooperation in their territories and on the adjustments that needed to be made to strengthen their role in European integration.

Constituted by **RIET - Iberian Network of Cross-border Cooperation Entities**, **MEDCITIES - Mediterranean Cities Network**, by the **CCAA - Conference of Atlantic Arc Cities** and **FAIC – Forum of Adriatic and Ionian Cities**. It is proposed to promote a broad debate and the identification of common problems and solutions adjusted to reality of the peripheral regions of the European Union, regions in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.



RIET - Iberian Network of Cross-border Cooperation Entities is a cross-border association of territorial cooperation, established in 2009 by organizations of proximity, of the border of Spain and Portugal, within the framework of the Treaty of Valencia.

It was established as a cooperation network, which strengthens the intervention, promotes local, regional, national and European cooperation, thus contributing to the ultimate goal of improving the quality of life of citizens.

It promotes a space for reflection on the role of cross-border organizations in the development of Iberian cooperation and its visibility on a European scale and the development of strategic reflection and work on cross-border issues of European interest in general and the Spain - Portugal border in particular.

It is composed of 23 associated entities, associations of municipalities, entities created for cross-border cooperation, business associations and universities.



MEDCITIES - The Mediterranean Cities Network set up in Barcelona in November 1991 as an initiative of the Mediterranean Environmental Technical Assistance Program, aims to strengthen decentralized interventions involving technical assistance as a way of promoting the importance of urban environmental problems, aiming of reinforcing municipal power in developing countries.

Being a network of Mediterranean communities and cities belonging to different countries, it aims at sustainable urban development as a way of improving living conditions in the regions.

The network comprises more than 50 cities in 14 Mediterranean countries. Such as: Agadir, Ancona, Antalya, Barcelona, Batroun, Benghazi, Bizerte, Chefchaouen, Dannieh Community, Djerba, Dubrovnik, El Fayhaa Urban Community, El Mine, Gabes, Gaza, Izmir, Jbeil (Byblos), Commonwealth of Jezzine, Kairouan, Commonwealth of Koura, Larnaka, Lemesos, Mahdia, Malaga, Marseille, Monastir, M'Saken, Nabeul, Rome, Saida, Sfax, Sidi Bou Said, Sousse, Tanger, Tétouan, Tirana, Tripoli, Tunis, Oran, Zarqa, Zgharta-Ehden and Metropolitan Area of Barcelona.

Conference of Atlantic Arc Cities - Conférence des Villes de l'Arc Atlantique



Conferencia de las Ciudades del Arco Atlántico - Conferência das Cidades do Arco Atlântico

CCAA - Atlantic Arc Cities Conference is a network of territorial cooperation, based on the particular identity of the Atlantic Cities. Since 2000, the Atlantic Arc Cities Conference has started its position as the Atlantic Urban Forum, facilitating cooperation between its members and

with other stakeholders, such as raising the awareness of the European institutions on issues of concern to Atlantic cities.

It assumes itself as a club of the Atlantic cities: the Urban Forum of the European Atlantic facade and as a Community that includes both cities and other actors, and, above all, citizens. It promotes campaigning, cooperation through European projects and presents itself as a resource center for Atlantic cities, ensuring that their activities contribute to the information, training and enhancement of European member activities.

It consists of 18 members representing 200 local entities that make up the Atlantic Arc.



FAIC - Forum of Adriatic and Ionian Cities, is an international association created in 1999 in Ancona (Marche Region), on the initiative of this city and the National Association of Italian Municipalities. It comprises 60 cities in the 8 Adriatic-Ionian countries, Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Serbia, Montenegro and Slovenia, constituting a forum for the economic, social, environmental and cultural collaboration and development of the Adriatic and Ionian cities.

FAIC is the pioneering association which then led to the intensification of international cooperation in the Ionian Adriatic area with the Forums of Universities (UNIADRION) and Chambers of Commerce (Forum AIC), the Adriatic Ionian Initiative (AII) and finally EUSAIR. It gives a contribution to European integration and enlargement policies and strategies, by promoting innovative forms of decentralised cooperation, partnerships and projects among the local authorities of the Member States.

As a representative of the civil society it officially collaborates with the EUSAIR Governing Board (see Action Plan accompanying COM 2014 357, p.52) and All Round Tables. With UNIADRION and Forum AIC it recently constituted a Joint Fora Secretariat in order to intensify and coordinate the action.



2.4. ANNEX

Articulation between the measures described on this document and the **10 proposals** for the future of European territorial cooperation presented on the **C4C - Cities for Cooperation Platform** first document.

PROPOSAL 1. Adopt a common strategy for the European territorial cooperation before identification of programmatic instruments for its implementation.

1.1

A new Common Strategic Framework shall strengthen the European territorial cooperation on its strategic and operational objectives and on the institutional models for its application.

1.2

The common strategy for European territorial cooperation should cover territorial cohesion, the harmonious development of the European Union and neighbouring territories, the social integration of cities and metropolitan areas, the safety of people and property, the Sustainable development and energy, competitiveness and innovation, mobility, maritime policy, governance and the development of shared services in cross-border territories.

PROPOSAL 2. The European territorial cooperation programs shall be coherent with the common strategy, focused in a more restricted set of objectives and better articulated with the other programs of cross-border cooperation (IPA-CBC and ENI-CBC), regional and sectoral programs of the mainstream and with the initiatives like Horizon 2020, LIFE, ERASMUS and others

2.1

European territorial cooperation programmes should be focused on a restricted and justified set of objectives, goals and results, adapted to the geographical and socio-economic realities of the Territories and stimulate the participation of stakeholders.

2.2

Promote a greater and effective synergy between European territorial cooperation, with special relevance to trans crossborder cooperation, and the regional and sectoral programmes of mainstream, the initiatives Horizon 2020, LIFE, Erasmus and others.

2.3

Promote an effective synergy and articulation between the European territorial cooperation programs which have incidence in a same territory, notably between programs of the transnational strand, stimulating an articulation between strategies and a bigger differentiation between objectives and investment priorities.

PROPOSAL 3. To European territorial cooperation shall be allocated more and more significant common financial resources, and more effectively shared to promote a better accomplishment of the Cohesion Policy objectives

3.1

European territorial cooperation must be provided with more and more significant common financial resources and more effectively distributed to better achieve the objectives of the cohesion policy, ensuring the duplication of current financial resources.

3.2

The contribution of the European structural and investment funds should adopt sufficiently significant prefinancing mechanisms to stimulate the participation of organizations with less financial capacity.

PROPOSAL 4. The European structural funds and investment funds credits for European territorial cooperation should be allocated to the program and not to the Member States, even if only for indicative purpose

4.1

The European structural funds and investment funds credits for European territorial cooperation should be allocated to the program and not to the Member States.

PROPOSAL 5. The criterion for the distribution of financial resources to be used on the preparation of the next European territorial cooperation programs, shall take into account the uniqueness of each space of cooperation and of each territory, and give a contribution to the convergence of less developed regions

5.1

The "population" criterion for the impact of financial resources on the programmes should be combined with the concepts of population density, GDPpc, employability and others related to social inclusion, competitiveness and innovation.

PROPOSAL 6. European territorial cooperation shall continue to be structured in the present strands of cooperation, but a new generation of transnational programs shall be created and oriented for the implementation of the already formalised EU Macro Regions, or to prepare the regional strategies, where EU Macro Regions still did not exist.

6.1 European territorial cooperation should continue to be structured in the current strands for cross-border, transnational and interregional cooperation.

6.2 In the cross-border area, European territorial cooperation should welcome the internal cross-border regions, the border regions with the neighbouring countries of the European Union (south and East shores of the Mediterranean, pre-accession countries, IPA-CBC, Russia, ENI and the outermost regions and neighbouring ACP countries).

6.3 Cross-border cooperation should focus on addressing the problems of citizens, cross-border territories and cities, and implementing economic, environmental and social development strategies for cities, urban and metropolitan areas and border areas.

6.4 The concept of frontiers and cross-border territories must include the maritime neighbourhood and this should not be conditional on the administrative anomaly of fixing a single mile distance.

6.5 Common answers to the new problems posed by globalization and the new economy should be found in the interregional plan.

6.6 A new generation of transnational programs shall be created and oriented for the implementation of the already formalised EU Macro Regions, or to prepare the regional strategies, where EU Macro Regions still did not exist.

PROPOSAL 7. Promote effective strategic and operational monitoring of Europe and territorial cooperation at European level and in each program, with a view to enhancing the role of bodies set up for European territorial cooperation with a legal nature and a permanent activity.

7.1 To promote the creation of a European Forum for Territorial Cooperation. A forum for bodies set up for European territorial cooperation with a legal nature and a permanent activity.

7.2

Promote the creation of a European Observatory for Territorial Cooperation, independent from the European Commission in its operation, to give substantive support to the work of the European Forum for Territorial Cooperation.

7.3

To promote an effective and binding application of the European Code of Conduct on partnerships in Europe and territorial cooperation.

7.4

The development of European territorial cooperation programmes should be initiated by the establishment and operation of the respective monitoring Committee.

7.5

The monitoring committees should play a more important and effective role in monitoring the programmes and to ensure a greater and more effective participation of stakeholders in the territory.

7.6

Promote the effective implementation of integrated territorial instruments (ITI) in cross-border cooperation programmes, associating them with global grants and the exercise of delegated management functions as an intermediate body.

PROPOSAL 8. European territorial cooperation programs should incorporate a management model that is better suited to their supranational nature and adopts clear, objective, stable and properly publicized administrative rules and procedures

8.1

The designation of the management authorities should be based on a public application procedure open to entities with legal personality created for European territorial cooperation.

8.2

The intervention of the authorities of central and regional administrations should be reoriented to perform the functions of compliance, control and certification.

8.3

Application of the principle of prior publicity for all relevant norms, rules and procedures should be ensured.

8.4

The responsibilities of the joint technical secretariats should be better articulated with the tasks assigned to the managing authorities.

8.5

The Code of Conduct for multilevel governance should be effectively applied in the implementation of European territorial cooperation programs.

8.6

Promote greater scrutiny of the desirable participation of external experts in the evaluation of applications.

- 8.7** Strengthen the participation of the relevant territorial cooperation partners (stakeholders) in the definition, implementation and monitoring of the program.
- 8.8** Promote clarification and disclosure of state aid rules that European territorial cooperation programmes should observe.
- 8.9** To improve the quality of audits for programme management and control systems and audit operations through the establishment of an external auditory exchange in each European territorial cooperation programme.

PROPOSAL 9. The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have a proper and common legal, financial and fiscal regime. Which takes into account the nature and supranational scope of its action, and that it should not be subject to the rules applicable to the place of its registered office. Their participation shall be stimulated via an open and objective normative framework

- 9.1** The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including EGTCs, must have a proper and common legal, financial and fiscal regime.
- 9.2** Simplify the procedures for the recognition of EGTCs and the transformation to EGTC of entities with legal personality already constituted.
- 9.3** Establish euro regional and macro regional criteria for the implementation of these legal figures in the management and implementation of the European structural and investment funds directed towards European territorial cooperation.
- 9.4** Promote the creation of a European register of EGTC and entities created for the development of initiatives for European territorial cooperation, with legal nature and permanent activity.

PROPOSAL 10. Adopt a model for calls for applications and for projects management better adapted to the requirements and particularities of European territorial cooperation

- 10.1** To launch more structured and territorially oriented calls for proposals.

10.2

To favor the submission and approval of multiannual work plans, in particular for entities set up for the development of initiatives for European territorial cooperation, with a legal nature and permanent activity.

10.3

Promote the pre-qualification of the promoters of operations to support, through a two-stage application, the first on the basis of a summary proposal of the project and the second phase, only for the pre-selected ideas, based on the detailed and complete application.

10.4

Limit the number of applications to be submitted by each partner, favoring the concentration of approved funds.

10.5

Facilitate the application of the principle of the relation of each operation to a specific objective and the corresponding main axis result indicators.

10.6

Simplify management, reporting and payment procedures by promoting a better balance between the weight of management resources allocated to the achievement of objectives (effectiveness) and the necessary safeguarding of the regularity of operations and the use of funds.

10.7

To promote a uniform application of management and control procedures in all regions participating in the European Territorial Cooperation Programme, in the legal, administrative and financial plans.

10.8

Facilitate the participation of partners from territories outside the program boundaries that can add value to the achievement of the objectives of operations.

10.9

Promoting more flexible forms of participation, such as support for the operation of city networks, town twinning, peer reviews, capacity building, etc., enabling cities with less technical resources and less experience to benefit from European territorial cooperation.



**EUROPEAN UNION BUDGET
FOR THE FUTURE.
COMMENT TO THE
EUROPEAN COMMISSION'S PROPOSAL
FOR THE MULTIANNUAL FINANCIAL
FRAMEWORK AND ITS IMPACT ON
EUROPEAN TERRITORIAL COOPERATION**


3

EUROPEAN UNION BUDGET FOR THE FUTURE. COMMENT TO THE EUROPEAN COMMISSION'S PROPOSAL FOR THE MULTIANNUAL FINANCIAL FRAMEWORK AND ITS IMPACT ON EUROPEAN TERRITORIAL COOPERATION



3.1. PREVIOUS NOTE

RIET – Iberian Network of Cross-border Cooperation Entities, cross-border Association of Territorial Cooperation, consisting of 2009 by proximity organizations, the border of Spain and Portugal, within the framework of the Treaty of Valencia,

Eixo Atlantico – Atlantic Axis of Peninsular Northwest, cross-border territorial development association through cooperation, established in 1992 and integrated by municipalities and entities of the local administration that configure the urban system of the euro-region Galicia-North of Portugal,

MEDCITIES - Mediterranean Cities Network, created in Barcelona in November 1991, whose activity is oriented towards sustainable urban development,

CCAA – Atlantic Artic Cities Conference, a territorial cooperation network, based on the particular identity of the Atlantic Cities, established in 2000, constituting itself as an Atlantic urban forum,

FAIC - Forum of Adriatic and Ionian Cities, association created in 1999, in Ancona, for 60 cities of the 8 Adriatic and Ionian countries, constituting itself as a forum for the social, environmental and cultural development of the Adriatic and Ionian cities,

non-governmental entities with a legal nature and permanent activity and holding a wide experience in the promotion of cooperation initiatives and the monitoring of programmes

integrated in the various plans of European territorial cooperation, they consider that they should continue the reflection and internal debate that they have promoted on the **future of regional and cohesion policy post-2020 in general and on the future of European territorial cooperation in particular.**

Organized on the platform **C4C-Cities for cooperation Platform**, they systematized at first a set of 10 proposals on the future of European territorial cooperation and cross-border cooperation with non-EU countries, a document presented to the European Commission in November 2017. Stimulated by the good reception that its strategic approach merited by the Commissioner for Regional Policy, Ms. Corina Cretu, they understood the invitation to Present the **Regulatory and normative measures** aimed at realizing their 10 initial proposals, deepening their contribution to the future of the Policy Regional and of the cohesion and for European territorial cooperation for the post-2020 period through the document delivered to the European Commission in March 2018. It was with expectation but also with frustration and a feeling of lost opportunity that the **C4C-Cities for cooperation Platform** analyzed the multiannual budget proposals for 2021-2027 and the Commission's proposals on the future of cohesion policy, because they did not reflect the relevance of regional and cohesion policy in response to great challenges like posts emerging phenomena of anti-democratic ultranationalists and populist movements, the migratory pressure, globalization, climate change and the demographics.

Nevertheless, the consecration in the projects of new regulations on the European Territorial Cooperation of some of the measures that have been presented to the European Commission, even if it has been a partial and timid welcome, has motivated these entities to continue the work of monitoring, analysis and internal debate on the multiannual financial framework for 2021-2027 and on the projects of new regulations. Assuming the expectation of the organizations specifically created for the cooperation involved in the territories of the periphery of the European Union and which are holding a vast and unique experience, have promoted in a first analysis of the proposal for a multiannual financial framework for 2021-2027.

In a second moment, they propose to present to the European Commission the conclusions of the analysis and the debate are already promoting on the draft regulations concerning the objective of European territorial cooperation (INTERREG) and the mechanism to remove legal and administrative obstacles in a cross-border context and on the Instrument of Neighborhood Development e Cooperation International (NDICI).

Thus, the **C4C-Cities for cooperation Platform, continuing and deepening dialogue with the European Commission, which they want to be regular and constructive, now presents a set of observations and recommendations on the multiannual financial framework for 2021-2027.**

This is the contribution of European cities to a Europe of citizens.



3.2. SYNTHESIS

C4C – Cities for Cooperation Platform:

1. **Considers** that the multiannual budget proposal highlights a **lack of ambition** on the part of the European Commission, with values that do not correspond to the objectives set out by the challenges facing Europe.
2. **Complains that it is not the policies that most value the principle of subsidiarity and the role of Member States to support the costs of Brexit.**
3. **Disapproves the reduction in 13.9% of financial resources for the Cohesion Policy** and **alert** for the negative consequences of reducing the co-financing rate to 70% and the lack of increased pre-financing for projects.
4. **Regrets the reduction in 17,6% of the budget for the CTE** and **requests an increase** of at least the double of what is proposed by the European Commission.
5. **Understands the thematic concentration** proposal and reinforces the need for a **flexible application** at the regional and local level to ensure that it represents a real response to the needs of the citizens.
6. **Complains a greater coherence between objectives and funding the CTE** as the lack of correspondence frustrates the expectations of the citizens. Having in mind the European Commission's initial proposal, either it reduces the objectives either it increases the budget.
7. **Requests** that the **CTE can be funded through more than one fund**, ERDF and ESF more, to increase its coverage and effectiveness.
8. **Recognizes the need to linking regional policy with economic governance** of the EU but **alerts** for that this necessary articulation cannot mean the subjugation of a structural policy to financial and budgetary management.
9. **Complains** that the appropriations of European Structural funds and investment in European territorial cooperation should be attributed to the programme and not to the Member States in order to ensure their true supranationality.
10. **Disapprove** the disappearance of the programmes URBACT, INTERREG Europe and the Sea basin and the maritime crossing of the current programmes Eni CBC and **requires** more transparency in funding in Component 5.



3.3. CONTRIBUTED BY C4C

The observations and recommendations of the **C4C-Cities for cooperation Platform** on the proposal for a multiannual financial framework 2021-2027 are systematized in 8 points:

- 1. For a multi-annual budget which is the affirmation of the values registered in the Treaty of European Union, particularly those of economic, social and territorial cohesion;**
- 2. For a multi-annual financial framework that values subsidiarity and the role of MS;**
- 3. For a regional and cohesion policy that corresponds to the expectations of European citizens;**
- 4. For European territorial cooperation with financial resources that correspond to its contribution to cohesion, pre-accession and neighborhood;**
- 5. For a post-2020 strategy that embraces the diversity of the regions and integrates the specific needs of the most depressed regions of the EU;**
- 6. For effective European territorial cooperation in combating regional disparities;**
- 7. For European territorial cooperation multifund that best responds to the need to invest in people;**
- 8. For a regional and cohesion policy adequately articulated with the economic governance of EU;**
- 9. For a European territorial cooperation with own financial resources not allocated to the MS;**
- 10. For a European territorial cooperation promoting interregional and urban cooperation and maritime basin strategies with neighborhood countries.**

1. For a multi-annual budget which is the affirmation of the values registered in the Treaty of the European Union, particularly those of economic, social and territorial cohesion

The European Commission has submitted its proposals for a multi-annual budget and of Rules for applying the funds for the period 2021 to 2027 on the dates envisaged.

In the current European context, the submission of a 7-year budget and the fulfilment of the planned dates should be marked and welcomed as a positive initiative and interpreted as a defeat to the political tendencies that advocate the infeasibility of a medium-term budget for the European Union and would like to see a cohesion policy supplementary and marginal, with the inherent reduction in their contribution to the common budget.

It is also important to point out the pragmatism taken in the Commission's proposals, and the effort being made to welcome the previous good experiences, stressing the courage to introduce measures of genuine simplification in the implementation of European funds Structural and investment.

The multiannual budget proposal shows, however, a significant lack of ambition, with figures far short of expectations, the needs and the size of the challenges facing the EU, and a proposal **of multi-annual budget that evolves from 1.04% to only 1.11% of the gross national income of EU.**

The scale of the challenges posed by emerging phenomena of anti-democratic ultra-nationalisms and populist movements, the migratory pressure, globalization, climate change and the demographics challenges, but also for the need to promote a more cohesive Europe, which invests in people and creativity, justifies and demands a multiannual financial framework with a greater financial dimension.

The growth of the multiannual financial framework should at least amount to the expected growth for the set of own resources and to be the budgetary expression of the continuity and affirmation of the common European project.

2. For a multi-annual financial framework that values subsidiarity and the role of MS

The Treaty of Lisbon identified the promotion of economic, social and territorial cohesion and solidarity between Member States as the value and central mission of the Union. This has given cohesion policy a clear objective of promoting harmonious development of the whole of the Union and, in particular contributing to reducing the disparity between the levels of development of the various regions and the delay of the most Disadvantaged.

Cohesion policy is not a welfare policy, but a transversal policy that reconciles solidarity and equity in resource allocation, with competitiveness and efficiency in allocating it. The European solidarity is expressed through structural support for the promotion of the development of the Territories, that is, seeking to exploit the growth potential of all the territories of the Union.

This multiannual budget entails a new dimension and a major challenge to accommodate the financial impact of the UK exit (Brexit). However, proponents of the European project cannot understand or accept that this financial impact is absorbed by the combined effect of reducing the budget for Cohesion Policy and the Common Agricultural Policy and, to a lesser extent, by the new direct revenues of the European Commission.

We are confronting at a more centralized and more dirigiste budget, due to the significant growth of policies managed directly by the European Commission and by the reduction of the policies that most value the principle of subsidiarity and which confer greater leeway for Member States (Cohesion Policy and CAP).

The multiannual financial framework should contain the principle of subsidiarity as a structuring element and to enhance the role of the Member States, rejecting the Cohesion Policy, and the CAP, to support the financial impact of the Brexit.

3. For a regional and cohesion policy that corresponds to the expectations of European citizens

The Cohesion Policy of the European Union is the main response to the need to deepen the more and more necessary construction of a European citizenship effective and inclusive. Despite all its limitations and shortcomings, in the present situation of Europe is indispensable to affirm and to defend cohesion policy and to fight for its coherent and meaningful application throughout the EU space.

Cohesion Policy sees the budget reduced by 13.9%, with a global budget weight of less than 35%. Except for the Common Agricultural Policy, which is also reduced by 9.8%, **the other EU policies grow significantly, more than doubling their budget.**

This approach cannot but be interpreted as an attempt to approximate the political tendencies that would like to see a residual and supplementary Cohesion Policy with an inherent reduction of its contribution to the common budget, which we consider to be a strategic error of great consequences, even more so since **the values proposed by the COM allow Cohesion Policy to approximate current values, while other policies continue to grow significantly.**

Compared to the European Union's multi-annual budget				
		2014-2020	2021-2027	Differential
Multiannual financial framework-Total	M€	1 129 745	1 279 000	13,2%
QFP weight	% NBR	1,04%	1,11%	6,7%
Cohesion policy	M€	513 563	442 412	-13,9%
Weight on QFP	%	45,5%	34,6%	-23,9%
Other EU policies/ CAP	M€	196 148	457 668	133,3%
Weight on QFP	%	17,4%	35,8%	106,1%

at current prices

4. For European territorial cooperation with financial resources that correspond to its contribution to cohesion, pre-accession and neighborhood

European territorial cooperation is now the main instrument to support the full implementation of the single market, taking into account that the internal cross-border regions and maritime territories are now the regions where the need for full implementation of the single market is felt, and it is also the main response to the need to create an effective European citizenship and felt by European citizens in their daily life.

On the other hand, the new challenges facing the European Union as a whole, albeit with a special focus on neighbouring regions, as regards the need to find answers to the growing migratory pressures, by highlighting opportunities for greater trade, scientific and cultural exchanges with neighbouring and preaccession countries, open up a new front for European territorial cooperation, since it is best to find structured and effective responses, rather than merely police ones.

In this sense, we welcome the proposal for a new regulation on a 'Mechanism for solving legal and administrative obstacles in a cross-border context'. Nevertheless, it is necessary to clarify what are considered, in an indicative way, the main legal, administrative, political, etc. border areas and the development of projects within the border areas of the EU and with external border areas.

We also welcome in a favorable way the text, in the common regulation proposal, of the content of the programmes (Art. 17), point 3 (a), concerning macro regions' strategies and maritime basin strategies, nevertheless it is necessary to clarify what concerns the financing of the actions necessary to enable these strategies to be implemented.

Surprisingly, the proposal for a multiannual financial framework points to a reduction in the allocation by 17.6%, reducing the weight of European territorial cooperation for a residual and irrelevant 2.15%.

Compared to the European Union's multi-annual budget				
		QFP 2014-2020	QFP 2021-2027	Differential
European Territorial cooperation	M€	10 229	8 430	-17,6%
Weight of the ETC in cohesion policy	%	2,25%	2,15%	-4,4%
ETC weight on QFP	%	1,02%	0,74%	-27,4%

at constant prices

Consequently, **European territorial cooperation must be provided with more and more significant common financial resources and more effectively distributed to better achieve the objectives of the cohesion policy, in the context of completing the internal market, doubling the current financial resources.**

Also, European territorial cooperation should not be the subject of the expected reduction of the cofinancing rate to 70%. This reduction, added to the non-increase in the level of pre-financing, introduces the risk of being significantly reduced the participation of many relevant institutions but with less financial capacity.

5. For a post-2020 strategy that embraces the diversity of the regions and integrates the specific needs of the most depressed regions of the EU

The European Commission proposes a new cohesion policy better adapted, dedicating a concentration of the financial resources in 5 goals: *A more intelligent Europe, a greener Europe with no carbon emissions, a more interconnected Europe, a more social Europe and a Europe closer to the citizens.*

It is right to be a fundamentally nominal thematic concentration, since one of the proposed objectives integrates multiple priorities to address with the scarce financial allocation envisaged.

In addition, in each fund for a more intelligent Europe and for a greener Europe should represent a value between 65% and 85% of the total cohesion Funds.

Are justifiable objectives for cohesion policy and those they confer strategic coherence on public policies to support.

However, the new cohesion policy should take into account the diversity of territories, marked by relevant territorial asymmetries, either in terms of resources necessary for the development process, or at the level of the global indicators of this development and sufficient flexibility to better meet the regional and local needs.

We consider it necessary that the thematic concentration proposed for the cohesion policy should be reviewed and articulated with the necessary flexibility to find structural response to regional and local problems, so that it can actually be understood as an approximation of Europe to the citizens.

6. Towards effective European territorial cooperation in the fight against regional disparities

European territorial cooperation is proposed to focus on combating regional disparities and the challenges facing Europe's regions and reinforces the thematic concentration on intelligent growth through intelligent specialization strategies and sustainable development and hipocarbonic.

In this perspective, new and ambitious strategic objectives are envisaged for European territorial cooperation:

“Promote local development on the basis of integrated territorial and local strategies and encourage sustainable urban development, improve the efficiency of labour markets and access to quality employment, improve access to, and quality of education, training and learning to ensure equal access to quality health care services in a timely manner, to improve the accessibility, effectiveness and resilience of health care and long-term care systems, and to promote social inclusion and poverty.”

In addition, at least 60% of the ERDF allocation should be affected to a maximum of three of these strategic objectives and, in addition, at least 15% of the ERDF allocation should be allocated to the objective “better governance of the Interreg programs”.

The adoption of these strategic objectives presupposes and requires a prior and thorough debate. In fact, the ambition of the proposed strategic objectives is not in line with the significant reduction in the financial resources envisaged for European territorial cooperation.

In the current programming period, with a significantly higher financial resources than those proposed for the future, European territorial cooperation programmes no longer have a financial dimension to accommodate interventions of a Physical nature and infrastructure.

At the risk of frustrating the expectation created on the populations of the territories covered by the European territorial cooperation programmes and of adversely affecting the prestige achieved by Interreg, therefore or the appropriations are increased to enable the Proposed strategic objectives to succeed, or are these that should be accommodated to the irrelevance of the proposal appropriation.

7. For European territorial cooperation multifund that best responds to the need to invest in people

The European Commission understands that to make Europe cohesive, sturdy and competitive in the future it is necessary to invest now in people: in their education and training, their skills and employability, as well as their potential to create companies and innovate, without neglecting their state of health and their living conditions.

In this approach, in which we see ourselves, the European Social Fund more is presented as the EU's main financial instrument to strengthen the social dimension of Europe.

In coherence, several of the strategic objectives proposed for European territorial cooperation programmes are clearly set out as thematically inserted under the ESF:

Promote improving the effectiveness of labour markets and access to quality employment, improving access and quality of education, training and lifelong learning, and promoting social inclusion and combating poverty.

The previous experience clearly shows the bad results obtained with attempts to insert under a fund eligibility of another fund.

In the light of the new strategic objectives proposed for European territorial cooperation, provision should be made for these programmes to be funded by more than one fund (ERDF and ESF more).

The Articulation, in the territories of real integrated and cross-border development strategies, which include all the areas of development, which constitute the main focus of the ITI, reinforces the need for cross-border cooperation to be based on a plurifunds programming.

8. For a regional and cohesion policy adequately articulated with the economic governance of EU

The introduction of a new macroeconomic conditionality should merit our special attention, as the prevalence of the European semester on structural policy is consecrated.

In fact, the programming is subordinated to the recommendations of the European semester and the recommendations for the MS conditionate the programming, including even the projects to be carried out. At the same time, the failure to fulfil the objectives of economic governance, excessive deficit and non-implementation of financial stability programmes, permits the suspension of programmes.

The prudential need for adequate articulation between economic governance and cohesion policy is recognized.

However, **this necessary articulation cannot mean the subjugation of a structural policy to financial and budgetary management.**

Moreover, the recent crisis in public debts has highlighted the decisive importance of cohesion policy, not to resolve the financial situation, but to be able to come out of the crisis well.

9. For European territorial cooperation with own financial resources not allocated to those MS

By allocating funds appropriations for the European territorial cooperation to each member state, even if it is said that is by way of indicative, regulations end up by subordinating these resources to national financial and budgetary disciplines, and they devote a significant constraint to its proper application according to the strict objectives of the programme.

What is the point and what are the objectives of the allocation of funds for European Territorial Cooperation for member state and not the programme when the supranational nature of interventions is stimulated? Even if an indicative nature is invoked, the allocation of an appropriation for European territorial cooperation to each of the States implies submission to national rules.

The appropriations of European structural and investment funds for European territorial cooperation should be allocated to the programme and not to the member states, welcoming the model already applied successfully in ENI CBC. It will therefore be possible to promote a better articulation of the principle of trans-nationality of European territorial cooperation with the principle of the financial responsibility of the Member States for the resources allocated to them.

The “population” criterion that has been used by the European Union for the allocation of financial resources allocated under European territorial cooperation it is strongly penalized for the Territories with weaker indicators of cohesion, because they are simultaneously the smallest population. The use of the “population” criterion it tends to perpetuate the socio-economic disadvantages of these territories compared with the other European regions, presenting a perverse result and contrary to the objectives of the cohesion policy.

The criterion for the distribution of financial resources should be Additionally into account Depopulation, unemployment and low levels of income, thereby contributing to the convergence of the less developed regions.

10. For a European territorial cooperation promoting interregional and urban cooperation and maritime basin strategies with neighborhood countries

Interreg Europa and URBACT have played a relevant role in enabling cooperation between all regions of Europe and promoting urban cooperation.

Despite the lack of clarity of the draft regulation, the eventual disappearance of these two programs, with a significant success story, is manifestly incomprehensible.

We will see ourselves in the conclusions of the evaluations Ex post and the mid-term review, highlighted in the justification of the proposal for a regulation and which justify the need to strengthen the financial allocation of the current areas of cooperation. The programmes dealing with the Black Sea, the Mediterranean Sea and Italy-Tunisia are a success story in politically sensitive areas, contributing to a normality of relations between neighborhood countries and which cannot be replaced by a participation significantly lower and limited to transnational or maritime programmes.

It is of the utmost strategic importance to keep the cooperation programmes regional and urban level, as well as in the highly sensitive maritime basin of the Black Sea and the Mediterranean Sea. The long years of progressively increased success are put at risk if the current proposed regulation is not modified.



3.4. PRESENTATION OF THE ENTITIES THAT INTEGRATE THE C4C



Cities for Cooperation Platform

C4C - Cities for Cooperation is a platform of non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of programs integrated in the various plans of European territorial cooperation, constituted with the objective of promoting reflection on the future of post 2020 Cohesion Policy in general and on the future of European territorial cooperation in particular.

It considers that the peripheral regions of the European Union have a common vision on the importance of European territorial cooperation in their territories and on the adjustments that need to be made to strengthen their role in European integration.

Constituted by **RIET - Iberian Network of Cross border Cooperation Entities**, by **Eixo Atlântico- Atlantic Axis of Peninsular Northwest**, by **MEDCITIES - Mediterranean Cities Network**, by the **CCAA - Conference of Atlantic Arc Cities** and by **FAIC Forum of Adriatic and Ionian Cities**, it is proposed to promote a broad debate and the identification of common problems and solutions adjusted to reality of the peripheral regions of the European Union, regions in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.



RIET - Iberian Network of Cross border Cooperation Entities, is a cross-border association of territorial cooperation, established in 2009 by organizations of proximity, in the border of Spain and Portugal, under the Treaty of Valencia.

Established as a cooperation network, which strengthens the intervention, promotes local, regional, national and European cooperation, thus contributing to the ultimate goal of improving the citizens' quality of life.

It promotes a space for reflection on the role of cross-border organizations in the development of Iberian cooperation and its visibility on a European scale and the development of strategic reflection and work on cross-border issues of European interest in general and the Spain - Portugal border in particular.

It is composed of 23 associated entities, associations of municipalities, entities created for cross-border cooperation, business associations and universities.



EIXO ATLÂNTICO – The Atlantic Axis of Peninsular Northwest is a cross-border territorial development association through the cooperation. Created in 1992, it integrates 36 municipalities and local authorities and configures the urban system of the euro-region Galicia-North of Portugal.

The main purpose is the economic, social, cultural, technological and scientific development of the cities and regions that constitute it. In this way, the Atlantic Axis constitutes a cross-border association integrated by the main cities and entities of Galicia and the Northern region of Portugal, whose aim is to promote economic, social and cultural cohesion, in particular by structuring a common territory.



MEDCITIES - The Mediterranean Cities Network, created in Barcelona in November 1991 as an initiative of the Mediterranean Environmental Technical Assistance Program, aims to strengthen decentralized interventions involving technical assistance as a way of promoting the importance of urban environmental problems, and aiming to reinforce municipal power in developing countries.

Being a network of Mediterranean communities and cities belonging to different countries, it aims at sustainable urban development as a way of improving living conditions in the regions.

The network comprises more than 50 cities in 14 Mediterranean countries, such as: Agadir, Alejandria, Ancona, Antalya, Barcelona, Commonwealth of Batroun, Benghazi, Bizerte, Chefchaouen, Commonwealth of Darnieh, Djerba, Dubrovnik, El Fayhaa Urban Community, El Mina, Gabes, Gaza, Izmir, Jbeil (Byblos), Commonwealth of Jezzine, Kairouan, Commonwealth of Koura, Larnaka, Lemosos, Mahdia, Málaga, Marseille, Monastir, M'Saken, Nabeul, Roma, Saida, Sfax, Sidi Bou Said, Sousse, Tanger, Tétouan, Tirana, Tripoli, Tunis, Oran, Zarqa, Zgharta-Ehden and Metropolitan Area of Barcelona.

Conference of Atlantic Arc Cities - Conférence des Villes de l'Arc Atlantique



Conferencia de las Ciudades del Arco Atlántico - Conferência das Cidades do Arco Atlântico

CCAA - Conference of Atlantic Arc Cities is a network of territorial cooperation, based on the particular identity of the Atlantic Cities. Since 2000, the Atlantic Arc Cities Conference has stated its position as the Atlantic Urban Forum, facilitating cooperation between its members and other stakeholders, such as raising the awareness of the European institutions on issues of Atlantic cities' concern.

It assumes itself as a club of the Atlantic cities: The Urban Forum of the European Atlantic facade and as a Community that includes both cities and other actors, and, above all, citizens. It promotes campaigning, cooperation through European projects and presents itself as a resource center for Atlantic cities, ensuring that their activities contribute to the information, training and enhancement of members' European activities.

It consists of 18 members representing 200 local entities that make up the Atlantic Arc.



The **FAIC Forum of Adriatic and Ionian Cities**, is an association created in 1999 in Ancona (Region Marche), at the initiative of this city and the National Association of Italian Municipalities, it is part of 60 cities of 8 Countries Adriatic and Ionian, Albania, Bosnia-Herzegovina Croatia Greece, Italy, Serbia, Montenegro and Slovenia, constituting itself as a forum for the economic, social, environmental and cultural development of the Adriatic and Ionian cities.

FAIC is a pioneering association in intensifying international cooperation in the area of Adriatic and the Ionian. Through the Universities Forum (UNIADRION) and Chambers of Commerce Forum AIC), the Ionian Initiative (ALI) and the EUSAIR. Contributes to European integration and extending its policies and strategies, through the promotion of innovative forms of decentralized cooperation and partnerships between local authorities of member countries.

As a civil society organization, it collaborates with the executive of EUSAIR (with 2014 357, p. 52). with UNIADRION and the CBI forum was recently constituted as a joint secretariat to intensify and coordinate its performance.



**THE INTERREG
FOR THE FUTURE**


4

THE INTERREG FOR THE FUTURE



4.1. PREVIOUS NOTE

RIET – Iberian Network of Cross-Border Cooperation Entities, a crossborder association of territorial cooperation, consisting of 2009 by proximity organisations, the border of Spain and Portugal, under the Treaty of Valencia,

Eixo Atlantico – Northwest Peninsular Atlantic Axis, cross-border association of territorial development through cooperation, established in 1992 and integrated by municipalities and entities of local administration that configure the urban system of the euro-region Galicia-North of Portugal,

MEDCITIES - Network of Mediterranean Cities, 57 cities and metropolitan areas of 15 Mediterranean countries, created in Barcelona in November 1991 whose activity is geared towards sustainable urban development,

CCAA - Conference of Atlantic Arc Cities territorial cooperation network, based on the private identity of the Atlantic cities, established in 2000, constituting as an Atlantic urban forum,

FAIC – Adriatic and Ionian Cities Forum, Association created in 1999, in Ancona, for 60 cities of the 8 Adriatic and Ionian countries, constituting itself as a forum for the social, environmental and cultural development of the cities of the Adriatic and Ionic,

non-governmental entities with a legal nature and permanent activity and holding extensive experience in the promotion of cooperation initiatives and the monitoring of programmes integrated in the various plans of European territorial cooperation, consider that they should continue the reflection and internal debate they have promoted on the future of European territorial cooperation.

Organized on the platform **C4C – Cities for Cooperation**, have already systematized and presented to the European Commission:

- ▶ A first document with a set of **10 proposals** on the future of European territorial cooperation and cross-border cooperation with non-EU member countries, a strategic approach presented in November 2017,
- ▶ A second document with the **measures of a regulatory and normative nature** to achieve their 10 initial proposals, deepening their contribution to the future of the Regional Policy and the European territorial cooperation for the period after 2020, presented in March 2018,
- ▶ A third document with a set of observations and recommendations on the **multi-annual financial framework for 2021-2027**, presented in July 2018.

Stimulated by the good receptivity that its strategic approach deserved from the Commissioner for Regional Policy Corina Cretu, **they are now proposing to continue their contribution, introducing to the European institutions and the Member States the conclusions of the analysis and debate that they have promoted on draft regulations on the objective of European territorial cooperation (Interreg) and the mechanism to remove legal and administrative obstacles in a cross-border context and on the neighbourhood development and cooperation instrument (NDICI), also noting in the draft regulation on the common provisions of the ESI funds the implementation of its proposals.**

To better justify and substantiate the proposed amendments to those draft regulations, the **C4C – Cities for Cooperation** reproduced in this document part of the contents of the preceding documents.

This is the contribution of European cities to a citizens' Europe.



4.2. SYNTHESIS OF THE C4C CONTRIBUTION

C4C – Cities for Cooperation Platform:

1. **CONSIDERS** that the proposal for a multiannual budget shows a lack of ambition on the part of the European Commission, with values that do not correspond to the objectives set or to the challenges facing Europe.
2. **CLAIMS** other than the policies that most value the principle of subsidiarity and the role of Member States to support the costs of Brexit.
3. **DISAPPROVE** the reduction in 13.9% of the financial resources for cohesion policy and. warns of the negative consequences of lowering the co-financing rate to 70% and the lack of increased pre-financing for projects.
4. **REGRETS** the reduction of 17.6% in the budget for the TEC and calls for an increase of the same, at least the double as foreseen in the European Commission proposal.
5. **BELIEVES** that the proposed thematic concentration reinforces the need for a flexible application on a regional and local scale to ensure that it represents a real response to the needs of citizens.
6. **CLAIMS** greater coherence between objectives and funding of the TEC, since the lack of correspondence will frustrate the expectations of citizens. Be aware of the European Commission's initial proposal, or if the objectives are reduced or the budget is increased.
7. **REQUESTS** that the TEC can be financed through more than one fund, ERDF and ESF, so as to increase its coverage and effectiveness.
8. **RECOGNIZES** the need to link regional policy with EU' economics governance but warns that this necessary articulation cannot mean the subjugation of a structural policy to the financial and budgetary management of the conjuncture.
9. **CLAIMS** whereas the appropriations of European structural and investment funds for European territorial cooperation are attributed to the programme and not to the Member States to ensure their true supranationality.

10. **DISAPPROVES** the disappearance of the **URBACT** programmes, **INTERREG** Europe and the sea basin and the maritime crossing of the existing **Eni CBC** programmes and requires more transparency and rigor in component 5 financing, by agreeing financial allocations.

11. **IT WELCOMES** with the Commission's initiative to present a proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context

12. **DEFENDS** that the mechanism to remove legal and administrative obstacles in a cross-border context is also applicable to regions of neighbouring and pre-accession countries participating in cooperation programmes and which are already confronted with obstacles similar to the and transnational cooperation.

13. **CONSIDERS** that the proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context should have more ambition, not limited to procedural aspects even if important.

14. **DEFENDS** that the definition of "cross-border region" should be better adapted to the diverse nature of cooperation actions and to the reality of territories.

15. **ALERT** for the scope of the proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a broader cross-border context than the European structural and investment funds presupposes and requires a procedure for specific comitology.

16. **UNDERSTANDS** that the figure of cross-border coordination points in the MS can ensure a significant impetus for effective and expressive implementation of the mechanism to remove legal and administrative obstacles in a cross-border context, although the proposal lacks adjustments.

17. **RECOMMENDS** that the Proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context is corrected by the failure of good legal technique by identifying, nominatively and as an example, 3 entities of associative nature.



4.3.

A VISION OF THE FUTURE OF EUROPEAN TERRITORIAL COOPERATION

Summary of the **C4C – Cities for Cooperation Platform**'s observations and recommendations on the proposal for a multiannual financial framework 2021-2027, described in the document submitted to the European Commission and to the national and regional authorities in July 2018:

- 1. Adopt a common strategy for European territorial cooperation, prior to the identification of the programmatic instruments for their application that includes a common vision of MS on cooperation with neighbouring, crossborder, terrestrial or maritime states, including the proximity regions of the UPR and the Black, Baltic and Ionian seas;**
- 2. European territorial cooperation programmes should be coherent with a common strategy, focused on a narrower set of objectives and better articulated with the other cross-border cooperation programmes (IPA CBC and ENI-CBC), regional and sectoral programmes of main stream and with the initiatives Horizon 2020, LIFE, Erasmus and other;**
- 3. European territorial cooperation should be endowed with more and more significant and more effectively shared financial resources to promote a better achievement of the cohesion policy objectives and must correspond to at least 5% of the total value of the ESI funds;**
- 4. The appropriations of European structural and investment funds for European territorial cooperation should be attributed to the programme and not to the MS, even if only by way of indication;**
- 5. The criterion for the allocation of financial resources to be used in the preparation of the forthcoming European territorial cooperation programmes should take into account the uniqueness of each area of cooperation and of each territory and contribute to the convergence of less developed regions;**
- 6. European territorial cooperation should continue to be structured in the current cooperation plans, and a new generation of transnational programmes geared towards the realisation of formalised macro-regional strategies should be created, or for to prepare regional strategies, where macro-regions do not exist;**
- 7. To promote effective strategic and operational monitoring of European territorial cooperation at European level and of each programme, valuing the role of entities created for European territorial cooperation with a legal nature and a permanent activity;**

8. European territorial cooperation programmes should incorporate a better management model tailored to their supranational nature, which adopts clear, objective, stable and adequately advertised administrative rules and procedures;

9. The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including ETCG must have a common legal and fiscal regime, which meets the nature and scope supranational of its performance, which should not be conditional on the regime applicable according to the place of its headquarters, being stimulated its participation through an open and objective normative framework;

10. Adopting a model of calls for applications and project management more suited to the requirements and particularities of European territorial cooperation.



4.4.

FOR AN MMF THAT MEETS THE EXPECTATIONS OF EUROPEAN CITIES

The **C4C – Cities for Cooperation Platform**' observations and recommendations synthesis on the proposal for a multiannual financial framework 2021-2027, described in the document submitted to the European Commission and to the national and regional authorities in July 2018.

1. For a multiannual budget which is the affirmation of the values enshrined in the Treaty on European Union, namely those of economic, social and territorial cohesion

In the current European context, the submission of a budget for 7 years and the fulfilment of the planned dates should by itself be signated and welcomed as positive and interpreted as a defeat for the political tendencies that advocate the unworthiness of a budget of medium term for the European Union and would like to see a suppletive and marginal cohesion policy, with the inherent reduction of its contribution to the common budget.

However, the proposal for a multiannual budget shows a significant lack of ambition, with values far below the expectations, the needs and the size of the challenges facing the EU, and a multiannual budget is proposed, which evolves from 1.04% to only 1.11% of the EU's gross national income.

The growth of the multiannual financial framework should at least be equivalent to the projected growth for all of the EU's own resources and be the budgetary expression of the European joint project's assertion.

2. For a multiannual financial framework that values subsidiarity and the role of MS

This multi-annual budget includes a new dimension and a major challenge to accommodate the financial impact of the UK exit (Brexit). However, proponents of the European project cannot understand or accept that this financial impact is absorbed by the combined effect of the reduction of the budget for cohesion policy and the common agricultural policy and, with smaller dimensions, by the new European Commission's direct revenues.

We are facing a more centralised and more steering budget, due to the significant growth of policies managed directly by the European Commission and the reduction of policies that most value the principle of subsidiarity and which confer greater margin of manoeuvre to MS (Cohesion Policy and CAP).

The multiannual financial framework should contain the principle of subsidiarity as a structuring element and value the role of the MS, rejecting the Cohesion Policy, and the CAP, to support the financial impact of Brexit.

3. For a regional and cohesion policy that corresponds to the expectations of European citizens

Cohesion Policy is the EU's main response to the need to deepen the increasingly necessary construction of an effective and inclusive European citizenship. Despite all its shortcomings and weaknesses, in the current European socio-political conjuncture it is essential to affirm and defend the cohesion policy and to fight for its coherent and meaningful implementation throughout the EU.

Cohesion Policy sees the budget reduced by 13.9%, representing a weight in the overall budget below 35%. With the exception of the CAP, which is also reduced by 9.8%, it is the other EU policies that grow significantly, more than doubling their budget.

This approach cannot fail to be interpreted as an attempt to approach the political tendencies that would like to see a residual and supplementary cohesion policy, with an inherent reduction in its contribution to the common budget, which we consider to be a strategic error of great consequences, both more than the values proposed by Commission allow cohesion policy to come closer to current values, continuing other policies to grow significantly.

4. For European territorial cooperation with financial resources that correspond to their contribution to cohesion, pre-accession and neighbourhood needs

European territorial cooperation should be endowed with more and more significant and more effectively shared financial resources to better achieve the objectives of the cohesion policy, in the context of completing the internal market, doubling the current financial resources.

Furthermore, European territorial cooperation should not be the subject of the planned reduction of the cofinancing rate to 70%. This reduction, added to the non-increase in the level of pre-financing, introduces the risk of significantly reducing the participation of many relevant institutions that play an important role in the territories of cooperation, but with less financial capacity.

We warmly welcome the text of the content of the programme (Art. 17), point 3 (a) of the draft common regulation, on macro-region strategies and maritime basin strategies.

We favourably welcome the proposal for a new regulation on a 'Mechanism for resolving legal and administrative obstacles in a cross-border context', what should be also applicable to regions of neighbouring and pre-accession countries participating in cooperation programmes and in the plan of cooperation transnational of the European Union

However, it is important to clarify what are considered, in an indicative way, the main legal, administrative, political obstacles, etc, the border areas and the development of projects within the EU border areas and with border areas external.

5. For a post-2020 strategy that welcomes the diversity of the regions and integrates the specific needs of the most depressed regions of the EU

We believe that the thematic concentration proposed for cohesion policy should be revised and articulated with the necessary flexibility to find a structural response to regional and local problems, in a regional development perspective and based on subsidiarity, so that it can indeed represent Europe's approximation to citizens.

6. For an effective European territorial cooperation in combating regional disparities

European territorial cooperation is proposed focusing on combating regional disparities and the challenges facing Europe's regions and strengthening thematic focus on smart growth through smart specialization strategies and of sustainable and low-carbon development.

The ambition of the proposed strategic objectives is not consistent with the significant reduction of financial resources foreseen for European territorial cooperation.

At the risk of frustrating the expectation created by the populations of the territories covered by the European territorial cooperation programmes and negatively affecting the prestige achieved by Interreg, or the appropriations are increased to enable the proposed strategic objectives, or are those that must be accommodated to the irrelevance of the proposed appropriation.

7. For a multi-fund European territorial cooperation that best responds to the need to invest in people

In the light of the new strategic objectives proposed for European territorial cooperation, the possibility for these programmes to be financed by more than one fund (ERDF and ESF more) should be foreseen.

The articulation, in the territories of true integrated and cross-border development strategies, which include all development areas, which constitute the main focus of the ITI, reinforces the need for cross-border cooperation if based on a plurifund schedule.

8. For a regional and cohesion policy that is adequately articulated with the economic governance of the EU

The introduction of a new macroeconomic conditionality should merit our special attention, as the prevalence of the European Semester is devoted to structural policy. The prudential need for an appropriate link between economic governance and cohesion policy is recognised.

However, this necessary articulation cannot mean the subjugation of a structural policy to the financial and budgetary management of the conjuncture.

9. For European territorial cooperation with own financial resources not allocated to the EM

The appropriations of the European structural and investment funds must be attributed to the programmes and not to the MS.

Welcoming the model already successfully implemented in ENI CBC, it will be possible to promote a better articulation of the principle of transnationality of European territorial cooperation the principle of the financial responsibility of the MS for the resources allocated to them.

The “population” criterion that has been used by the European Union for the allocation of financial resources allocated under European territorial cooperation is strongly penalising for territories with weaker cohesion indicators, for which have the smallest population. The use of the criterion “population” tends to perpetuate the socio-economic disadvantages of these territories compared with the other European regions, presenting a perverse result and contrary to the objectives of the cohesion policy.

10. For an European territorial cooperation promoting interregional and urban cooperation and maritime basin strategies with neighbouring countries

We are in the conclusions of the ex post assessments and the mid-term review, marked in the explanatory memorandum to the proposal for a regulation and justifying the need to reinforce the financial allocation of the current areas of cooperation. The programs dealing with the Black Sea, the Mediterranean Sea and Italy- Tunisia are a success story in politically sensitive areas, contributing to a normality of relations between neighbouring countries and which cannot be replaced by a participation significantly lower and limited to transnational or maritime programmes.

It is of the utmost strategic importance to maintain cooperation programmes at the interregional and urban level, as well as in the highly sensitive maritime basin of the Black Sea and the Mediterranean Sea. The long years of progressively increased success are put at risk if the current proposed regulation is not modified.



4.5.

FOR A BETTER MECHANISM TO REMOVE LEGAL AND ADMINISTRATIVE OBSTACLES IN A CROSS-BORDER CONTEXT

C4C – Cities for Cooperation Platform proposals on the draft regulation on the mechanism for removing legal and administrative obstacles in a cross-border context and on the Instrument of neighbourhood development and international cooperation (NDICI):

1. C4C – Cities for Cooperation welcomes the Commission's initiative to present a proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context

Although it is a proposal that evidences some shyness, we consider it very positive the proposal for a regulation on the establishment of a mechanism allowing an MS, in relation to a cross-border region, to apply the legal provisions of another MS, when they constitute a legal obstacle that makes it difficult to implement a joint project. We also consider

that this instrument could make a contribution to better and more effective territorial cooperation in transnational areas and even in macro and cooperation with neighboring countries of the European Union.

C4C – Cities for Cooperation support that the European territorial cooperation should be ruggedized in its strategic and operational objectives and in the institutional models for its implementation. The entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, including ETCG, must have a common legal, financial and fiscal regime, which meets the nature and supranational scope of its performance and that it should not be conditional on the regime applicable according to the place of its headquarters.

C4C – Cities for Cooperation already highlighted the European Commission that the experience of implementing the EGTC figure also highlights the need to liberate initiatives for their creation of the obstacles, restrictions and indefinities of MS' administrations, and also importing simplify the procedures for processing for EGTC of entities with legal personality already constituted.

The management model of the European territorial cooperation programmes should meet the specificities of cooperation and its supranational impact and cannot be a mere decal of the regulatory model envisaged for the sectoral or regional programmes of the main stream.

The European Commission's proposal, in spite of its voluntary nature and of assuming the prior agreement of the national authorities and notwithstanding the prudence of the solutions pointed out, establishes the legal basis which allows the development of a **common strategy for European territorial cooperation should be defined before the design of the cohesion policy implementation model and is not limited to the approval of seven out of seven years of new regulations which are almost limited to administrative provisions and Financial resources on European structural and investment funds.**

2. The proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context should have more ambition, not limited to procedural aspects even if important and be applicable in the plan of transnational cooperation

The proposal for a regulation should establish a legal framework to stimulate the participation of the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, in the management of

the programmes, through an open and objective normative framework, contradicting the priority to the present given to the intervention of the authorities of regional and central administrations, whose intervention should be reoriented to the exercise of compliance functions, control and monitoring.

C4C – Cities for Cooperation considers that it should be valued the supranational scope of action of entities created with legal personality and regulated their administrative, economic and fiscal framework, it should be regulated and encouraged to share public services and existing resources and should be promoted the stimulus to the creation of companies and to the productive investment in conditions that meet the interiority and the limitations of the territories of low population density.

When 25 years of European territorial cooperation are made, the European Union must have the ambition to promote a new legal framework for cooperation territorial citizen oriented and practical resolution of their problems. The populations, organizations and companies today demand the articulation between territorial and sectoral policies and need this articulation materialized in practical and effective solutions for the constraints of their daily life.

So, the proposal of regulation should:

- ▶ Cover paper and functions of the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity;
- ▶ Institute an open normative framework transparent and objective for the submission of applications to the management of European territorial cooperation programmes or to participation as an intermediary body with delegated management functions, contrary to the priority to the present conferred on the intervention of Authorities of regional and central administrations, whose intervention should be re-directed to the exercise of the functions of compliance, control and monitoring;
- ▶ The concept of “legal obstacle” should cover the legal provisions relating to the legal-administrative and tax regime of the Entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity;
- ▶ Without prejudice to the voluntary nature that the proposal for a regulation lays down for the mechanism, the draft regulation should not limit the initiative of its application to the MS, should provide for procedure to ensure the implementation of the initiatives promoted by the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity;

- ▶ To provide for the extension of its application to the external borders of the European Union and to the transnational cooperation plan.

3. The definition of “cross-border region” should be better adapted to the diverse nature of cooperation actions and the reality of the Territories

Limiting land border regions to neighbouring NUTS 3 represents a very simplistic way to define the cross-border territories and may cancel many of the cooperation initiatives that have been considered as examples of good practices.

C4C – Cities for Cooperation considered that it is important to define the area of cross-border cooperation as a consolidated and coherent space, which meets the dynamic of cross-border, existing and potential cooperation, the diverse legal nature of partners and cooperation themes, not limited to a spatial projection of a new and artificial demarcation line.

The consolidation of a cross-border cooperation area can meet the diverse legal nature of the partners and the cooperation themes they develop. In other words, the consolidation of the area of cross-border cooperation should not be confined to a spatial projection of a new and artificial frontier line but should integrate the entities that confer added value to a harmonious regional development and balanced.

In fact, if one can understand a limitation to NUTS 3 bordering on cooperation actions involving more direct intervention in the territory, this limitation is at all reductor for example in the actions of innovation, social entrepreneurship, etc., particularly in the areas of low population density and more depressed from the economic point of view.

The proposal for a regulation could establish the definition currently envisaged only as a basic concept and provided that it adopts mechanisms to adapt to the reality and diversity of European cross-border territories.

4. The scope of the proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a broader cross-border context than the European structural and investment funds presupposes and requires a procedure for specific comitology

The comitology procedure should provide for the establishment of a specific committee for the establishment of a mechanism to remove legal and administrative obstacles in a context of territorial cooperation, whose scope is wider than the European structural and investment funds.

The role envisaged for the Coordination Committee of the European Structural and investment funds in assisting the European Commission, within the meaning of Regulation (EU) No 182/2011, is reductive and does not favour the full development of the programmatic objectives of the proposal regulation.

As the preamble to the proposal for a regulation refers, it aims to create a mechanism and not a financial instrument, *legal mechanism for resolving legal barriers at borders, and is mainly addressed to the authorities of the Member States. People should benefit from the agreed solutions. The resolution of legal barriers at borders under this proposal should help people living in border regions to enjoy their fundamental rights.*

C4C – Cities for Cooperation considered that the European Commission should promote the establishment of a committee integrating representatives of the MS and the entities created for European territorial cooperation with a legal nature and a permanent activity, geared towards the full implementation of the proposed mechanism.

This Committee may also promote an annual evaluation of European territorial cooperation in the various plans and spaces, constituting an equivalent to the figure of the annual meeting of the Commission with each of the MS.

5. The figure of cross-border coordination points in the EM can ensure a significant impetus for effective and expressive implementation of the mechanism to remove legal and administrative obstacles in a cross-border context, although the proposal lacks Adjustments

The designation of cross-border coordination points should be promoted by all MS after the entry in application of the regulation and irrespective of the effective application at each moment of the mechanism. Each MS shall designate a cross-border coordination point at national level and a cross-border coordination point at the level of NUTS 2.

C4C – Cities for Cooperation considers that the designation of the points of cross-border coordination at the level of NUTS 2 should be based on entities created for European territorial cooperation with a legal nature and a permanent activity, through an open, transparent and competitive designation procedure.

6. The proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context should be purged from the failure of good legal technique by identifying, nominatively and as an example, 3 entities of Associative nature

The proposal for a regulation should not indicate in article 8 (2) examples of organisations created in the representation of cross-border regions to promote the interests of cross-border territories and to facilitate the networking of sharing of experiences, nominating 3 partial examples from among other similar organisations.

C4C – Cities for Cooperation considers that only by lapse can one understand the nominative designation of 3 organisations, among other similar organisations, not realizing which effective range that designation which has not been preceded by any open procedure for submitting proposals from other non-cited organisations to the Commission services.

It is of elementary good legal practice that a regulation or norm should not indicate, in any case, examples of the legislator's objective.

Does the natural extinction of one of these organisations by valid and free deliberation of its associates imply the amendment of the Regulation if it was approved under the terms laid down?

7. The mechanism to remove legal and administrative obstacles in a cross-border context should apply to regions of neighbouring and pre-accession countries participating in cooperation programmes and which are already confronted with obstacles similar to those

The mechanism to remove legal and administrative obstacles in a cross-border context should be applicable to regions of neighbouring and pre-accession countries participating in cooperation programmes.

The proposal for a regulation on the establishment of a mechanism to remove legal and administrative obstacles in a cross-border context Innovative approach to cross-border areas of the European Union. However, in the proposal, its scope is reduced to the internal frontiers of the Union. The experience of long years of cooperation with the IPA and neighbourhood countries shows the need to eliminate the same type of obstacles. This objective need is complemented by an effort by IPA countries and neighbouring countries, such as Moldova and Ukraine, to harmonise legislation in various areas. Of course, this same type of collaboration would be possible with the States of the European Economic Area which are not part of the union.

C4C – Cities for Cooperation considers that the inclusion of all the countries with which the European Union borders would strengthen the ties of cooperation and would have an effect in the lives of the populations of border areas, irrespective of whether or not belonging to the frontier. As the EGTC and the Euro-regions are open to institutions and entities outside the EU, this new regulation should ensure this possibility.

The operationalisation of the mechanism to remove legal and administrative obstacles in a cross-border context will require a specific international agreement with countries outside the European Union wishing to implement it, since it is necessary to provide a legal basis in those countries for the implementation of a European Union regulation.

8. The mechanism to remove legal and administrative obstacles in a cross-border context should be also apply to transnational cooperation.

The mechanism to remove legal and administrative obstacles in a cross-border context is an innovative approach Also for transnational borders of the European Union.

In this sense, the **C4C – Cities for Cooperation** considers that the application of the proposed regulation should be extended with the necessary adaptations to the conditions of transnationality.



4.6. PROPOSALS ON THE DRAFT REGULATION ON THE ESTABLISHMENT OF A MECHANISM TO REMOVE LEGAL AND ADMINISTRATIVE OBSTACLES IN A CROSS-BORDER CONTEXT

COM (2018) 373 final

Article 1

Object

(...)

3. *This Regulation also lays down:*

(a) *The organisation and tasks of Cross-border Coordination Points in the Member States;*

(b) *The coordinating role of the Commission with respect to the Mechanism;*

(c) *The legal protection of persons resident in a cross-border region with regard to the Mechanism;*

(d) The role of the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity.

Article 2

Scope

1. This Regulation applies to cross-border regions as defined in point (1) of Article 3.
2. Where a Member State comprises several territorial entities with legislative powers, this Regulation shall also apply to those territorial entities including their respective authorities or legal provisions.

2- 3. Present regulation is also applicable to the external land and sea borders of the European Union, under the conditions to be fixed by the Commission with recourse to the procedure provided in article 23^o

Article 3

Definitions

For the purposes of this Regulation, the following definitions shall apply:

(1) 'Cross-border region' means the territory **pre-set at the level of NUTS 2 and 3** covered by neighbouring land border regions **and maritime** in two or more Member States **and territories in which there is a tradition of cooperation translated into the existence of formal agreements cooperation, regular maritime transport links or other and, of commuted movements of the populations to work or housing or investment projects aimed at the economic and social approximation of the regions involved at NUTS level 3 regions;**

(2) 'Joint project' means any item of infrastructure with an impact in a given cross-border region, **any public policy** or any service of general economic interest provided in a given cross-border region;

(3) 'Legal provision' means any legal or administrative provision, rule or administrative practice applicable to a joint project, regardless whether adopted or implemented by a legislative or executive body;

(4) 'Legal obstacle' means any legal provision with regard to the planning, development, staffing, financing or functioning of a joint project, **including the legal, administrative and tax regime of the entities created for the cooperation end** that obstructs the inherent potential of a border region when interacting across the border;

(...)

Article 4

Member States' options for resolving legal obstacles

(...)

3. Member States may also use the Mechanism in cross-border regions on maritime borders or in cross-border regions between one or more Member States **or neighbouring countries** and one or more third countries or one or more overseas countries and territories.

Article 5

Cross-border Coordination Points

1. ~~Each Where a Member State opts for the mechanism, it shall establish one or more Cross-border Coordination Points at national level and Cross-border Coordination Points at regional level of NUTS 2 and may also designate cross-border coordination points with neighboring countries outside the European Union in one of the following ways:~~

~~(a) Designate, at national or regional level or at both levels, a Cross-border Coordination Point as a separate body;~~

~~(b) Set up a Cross-border Coordination Point within an existing authority or body, at national or regional level;~~

~~(c) Entrust an appropriate authority or body with the additional tasks as national or regional Cross-border Coordination Point.~~

(...)

Article 6

Tasks of Cross-border Coordination Points

1. Each Cross-border Coordination Points shall have at least the following tasks:

(a) Implement the procedure set out in Articles 10 and 11;

(b) Coordinate the preparation, signature, implementation and monitoring for all Commitments and Statements concerning the territory of its Member State;

(c) Build up and maintain a database covering all Cross-border Coordination Points concerning the territory of its Member State;

d) Liaise, ~~where they exist,~~ with the Cross-border Coordination Points in the neighbouring Member State or States and with the Cross-border Coordination Points in other territorial entities with legislative powers of its own Member State or another Member State;

(e) Liaise with the Commission;

(f) Support the Commission as regards its database on Statements and Commitments.

2. Each Member State or each territorial entity with legislative powers in that Member State may decide to entrust the respective Cross-border Coordination Point also with the following tasks:

(a) Where applicable, to conclude Commitments or Statements pursuant to Articles 16(2) and 17(2);

(b) Upon request from a given initiator, support that initiator by, among other things, identifying the competent committing authority in the same Member State or the competent transferring authority in another Member State;

(c) Upon request from a given competent committing authority located in another Member State without its own Cross-border Coordination point, perform the preliminary analysis of an initiative document;

(d) Monitor the implementation of all Commitments and Statements concerning the territory of its Member State;

(e) Remind the competent committing authority to comply with the deadlines established by in a given Commitment or Statement and request a reply within a given deadline;

(f) Inform the authority supervising the competent committing authority on any missed deadlines as established in a given Commitment or Statement.

3. Where at least one among several legal obstacles concerns an issue of legislative competence at national level, the national Cross-border Coordination Point shall assume the tasks set out in Articles 9 to 17 and coordinate with the relevant regional Cross-border Coordination Point or Points in the same Member State, unless the Member State has decided that the tasks set out in Articles 14 to 17 are entrusted to a competent committing authority at national level.

4. Where none of the legal obstacles concerns an issue of legislative competence at **regional national** level, the competent regional Cross-border Coordination Point shall assume the tasks set out in Articles 9 to 17 and coordinate, with the other regional Cross-border Coordination Point or Points in the same Member States, in the cases where more than one territorial entity is concerned by the joint project, unless the Member State has decided that the tasks set out in Articles 14 to 17 are entrusted to a national Cross-border Coordination Point. That competent regional Cross-border Coordination Point shall keep the national Cross-border Coordination Point informed about any Commitment or Statement procedure.

Article 8

Preparation and submission of the initiative document

1. The initiator shall identify the legal obstacle with regard to the planning, development, staffing, financing or functioning of a joint project.

2. The initiator shall be one of the following:

(a) The public or private body responsible for initiating or both initiating and implementing a joint project;

(b) One or more local or regional authorities located in a given cross-border region or exercising public power in that cross-border region;

(c) A body with or without legal personality set up for cross-border cooperation located in or covering at least partially a given cross-border region, including European groupings of territorial cooperation under Regulation (EC) No 1082/2006, Euroregions, Euregios and similar bodies;

(d) an organisation set up on behalf of cross-border regions with the aim to promote the interests of cross-border territories and to facilitate the networking of players and the sharing of experiences, ~~such as the Association of European Border Regions, the Mission Opérationnelle Transfrontalière or the Central European Service for Cross-border Initiatives~~ or;

(e) Several of the entities referred to in points (a) to (d) jointly.

(...)

Article 23

Committee procedure

1. The Commission shall be assisted by the Coordination Committee **of European Territorial Cooperation for the European Structural and Investment Funds established by Article 108(1) of Regulation (EU) No [new CPR]**. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.
3. **The Committee Of Coordination of European Territorial cooperation integrates national and regional coordinators designated by the Member States.**
4. **The Commission promotes the annual achievement of a European forum of entities created for European territorial cooperation with a legal nature and a permanent activity aimed at analysing and evaluating the application of this regulation and territorial cooperation European Union in general.**
5. **The Commission promotes the establishment of a European observatory on Territorial Cooperation in order to support the work of the annual Forum referred to in the preceding paragraph.**



4.7. PROPOSALS ON THE DRAFT REGULATION LAYING DOWN SPECIFIC PROVISIONS CONCERNING THE OBJECTIVE OF EUROPEAN TERRITORIAL COOPERATION

COM (2018) 374 final

Article 1

Subject matter and scope

(...)

5. Regulation (EU) [new CPR] and Regulation (EU) [new ERDF] shall apply to Interreg programmes, except where specifically provided for otherwise under those Regulations and this Regulation or where provisions of Regulation (EU) [new CPR] can only apply to the Investment for jobs and growth goal.

6. The INTERREG programmes should be coherent with a common European territorial cooperation strategy, adopted by the Commission, with the participation of the Member States of States Neighbors participating in cooperation programmes and the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity.

5: 7. The common European territorial cooperation strategy should meet the diversity of regions, take account of the specific needs of the most depressed EU cross-border regions, contribute to the adoption of INTERREG programmes focused on a limited set of objectives and articulated with regional and sectoral programmes and horizon initiatives Europe, LIFE, Erasmus and other and included go a common vision of MS on cooperation with neighboring, cross-border, terrestrial or maritime states.

Article 2

Definitions

1. For the purpose of this Regulation, the definitions in Article [2] of Regulation (EU) [new CPR] shall apply. The following definitions shall also apply:

(...)

(4) 'Cross-border legal body' means a legal body established under the laws of one of the participating countries in an Interreg programme provided that it is set up by territorial authorities or other bodies from at least two participating countries, **including the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity and the EGTC.**

(...)

Article 3

Components of the European territorial cooperation goal (Interreg)

Under the European territorial cooperation goal (Interreg), the ERDF and, where applicable, external financing instruments of the Union shall support the following components:

1. Cross-border cooperation between adjacent regions to promote integrated regional development (component 1):

(a) Internal cross-border cooperation between adjacent land border regions of two or more Member States or between adjacent land border regions of at least one Member State and one or more third countries listed in Article 4(3); or

b) External cross-border cooperation, between adjacent land border regions of at least one Member State and of one or more of the following:

i) IPA beneficiaries; or

ii) partner countries supported by NDICI; or

iii) the Russian Federation, for the purpose of enabling its participation in cross-border cooperation also supported by NDICI;

2. Transnational cooperation and maritime cooperation over larger transnational territories or around sea-basins, involving national, regional and local programme partners in Member States, third countries and partner countries and in Greenland, with a view to **promote a formalized macro-regional strategy, or the regional strategies when there is no** achieving a higher degree of territorial integration ('component 2'; where referring only to transnational cooperation: 'component 2A'; where referring only to maritime cooperation: 'component 2B');

3. Outermost regions' cooperation among themselves and with their neighbouring third or partner countries or OCTs, or several thereof, to facilitate their regional integration in their neighbourhood ('component 3');

4. Interregional cooperation to reinforce the effectiveness of cohesion policy ('component 4') by promoting:

(a) Exchange of experiences, innovative approaches and capacity building in relation to:

- i) the implementation of Interreg programmes;
- ii) the implementation of Investment for jobs and growth goal programmes, in particular with regard to interregional and transnational actions with beneficiaries located in at least one other Member State;
- iii) the setting-up, functioning and use of European groupings of territorial cooperation (EGTCs) **and the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity;**

(b) Analysis of development trends in relation to the aims of territorial cohesion;

5. Interregional innovation investments through the commercialisation and scaling up of interregional innovation projects having the potential to encourage the development of European value chains ('component 5').

Article 4

Geographical coverage for cross-border cooperation

1. For cross-border cooperation, the regions to be supported by the ERDF shall be the NUTS level 3 regions of the Union along all internal and external land borders with third countries or partner countries **and the territories in which there is a tradition of cooperation, Defined in the NUTS Level 3.**

2. Regions on maritime borders which are connected over the sea ~~by a fixed link shall~~ also be supported under crossborder cooperation, **when they meet one of the following criteria:**

- a) Common interest in the development of relations Economic;**
- b) Tradition in relations Social and Economic and cooperation;**
- c) Regular sea and air transport;**
- d) Existence of economic development projects.**

(...)

Article 8

List of Interreg programme areas to receive support

1. For the purposes of Articles 4, 5 and 6, the Commission shall adopt an implementing act setting out the list of Interreg programme areas to receive support, broken down for each component and each Interreg programme. That implementing act shall be adopted in accordance with the advisory procedure referred to in Article 63(2).

External cross-border Interreg programmes, **transnationals and maritimes**, shall be listed as 'Interreg IPA III CBC programmes' or 'Interreg Neighbourhood CBC programmes' respectively.

(...)

Article 9

ERDF resources for the European territorial cooperation goal (Interreg)

1. The ERDF resources for the European territorial cooperation goal (Interreg) shall amount to EUR **16.000.000.000** ~~8.430.000.000~~ of the global resources available for budgetary commitment from the ERDF, ESF+ and the Cohesion Fund for the 2021-2027 programming period and set out in Article [102(1)] of Regulation (EU) [new CPR].

2. The resources referred to in paragraph 1 shall be allocated as follows:

- (a) 52.7 % (i.e., a total of EUR **8.432.000.000** ~~4.440.000.000~~) for cross-border cooperation (component 1);
- (b) 31.4 % (i.e., a total of EUR **5.024.000.000** ~~2.649.900.000~~) for transnational cooperation and maritime cooperation (component 2);
- (c) 3.2 % (i.e., a total of EUR **512.000.000** ~~270.100.000~~) for outermost regions' cooperation (component 3);
- (d) 1.2 % (i.e., a total of EUR **192.000.000** ~~100.000.000~~) for interregional cooperation (component 4);
- (e) 11.5 % (i.e., a total of EUR **1.840.000.000** ~~970.000.000~~) for interregional innovation investments (component 5).

3. The Commission shall communicate to each Member State its share of the global amounts for components 1, 2 and 3, broken down by year.

~~Population size in the following regions shall be used as the criterion for the breakdown by Member State.~~ To establish a Breakdown annual to Each Member State, the following criteria are used:

(a) The size of the population in regions NUTS 2, adjusted with GDP and population density and the unemployment rate, for regions of level Nuts 3 covered for components 2a and 3;

(b) The size of the population in the NUTS regions 3, adjusted with GDP and population density and unemployment rate, for the regions of level Nuts 3 covered by component 1 and the Regions of level Nuts 3c covered by component 2B listed in act of run us terms of the article 8, No. 2

(c) For the application of the criterion defined in the preceding paragraph, the size of the population shall be 40%, 20% GDP, the population density of 20% and the 20% unemployment rate.

~~a) NUTS level 3 regions for component 1 and those NUTS level 3 regions for component 2B listed in the implementing act under Article 8(2);~~

~~b) NUTS level 2 regions for components 2A and 3.~~

4. Each Member State may transfer up to 15% of its financial allocation for each of components 1, 2 and 3 from one of those components to one or more of the others.

5. Based on the amounts communicated pursuant to paragraph 3, each Member State shall inform the Commission whether and how it has used the transfer option provided for in paragraph 4 and the resulting distribution of its share among the Interreg programmes in which the Member State participates, **under condition of each programme presents a balance between the contributions of the participating Member States.**

5: 6. Member States' contribution to each Interreg programme should not be on the text of the programme nor be considered as a criteria for the financial management of the programme.

Article 10

Cross-fund provisions

1. The Commission shall adopt an implementing act setting out the **European territorial community strategy and the** multi-annual strategy document with regard to external cross-border Interreg programmes supported by the ERDF and the NDICI or IPA III. That implementing act shall be adopted in accordance with the advisory procedure referred to in Article 63(2).

(...)

Article 13

Co-financing rates

The co-financing rate at the level of each Interreg programme shall be not higher than **85% 70%** unless, with regard to external cross-border or component 3 Interreg programmes, a higher percentage is fixed in Regulations (EU) [IPA III], [NDICI] or Council Decision (EU) [OCTP] respectively or in any act adopted thereunder.

Article 14

Interreg-specific objectives

(...)

3. In addition to the specific objectives for the ERDF as set out in Article [2] of Regulation (EU) [new ERDF], the ERDF and, where applicable, the external financing instruments of the Union may also contribute to the specific objectives under PO 4 as follows:

(a) Promote local development based on integrated territorial and local strategies;

(b) Encouraging Sustainable Urban Development;

~~(a)~~ **(c)** Enhancing the effectiveness of labour markets and improving access to quality employment across borders;

~~(b)~~ **(d)** Improving access to and the quality of education, training and lifelong learning across borders with a view to increasing the educational attainment and skills levels thereof as to be recognised across borders;

~~(c)~~ **(e)** Enhancing the equal and timely access to quality, sustainable and affordable health-care services across borders;

~~(d)~~ **(f)** Improving accessibility, effectiveness and resilience of healthcare systems and long-term care services across borders;

~~(e)~~ **(g)** Promoting social inclusion and tackling poverty, including by enhancing equal opportunities and combating discrimination across borders.

4. Under components 1, 2, and 3, the ERDF and, where applicable, the external financing instruments of the Union may also support the Interreg-specific objective 'a better Interreg governance', in particular by the following actions:

(a) Under component 1 and 2B Interreg programmes:

i) enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;

ii) enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions, in particular, with a view to resolving legal and other obstacles in border regions;

iii) strengthening the institutional capacity of Entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity and EGTC;

(b) Under component 1, 2 and 3 Interreg programmes: enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies;

(c) Under external cross-border and component 2 and 3 Interreg programmes supported by the Interreg funds, in addition to points (a) and (b): building up mutual trust, in particular by encouraging people-to-people actions, by enhancing sustainable democracy and by supporting civil society actors and their role in reforming processes and democratic transitions;

5. Under external cross-border and component 2 and 3 Interreg programmes the ERDF and, where applicable, the external financing instruments of the Union shall also contribute to the external Interreg-specific objective 'a safer and more secure Europe', in particular by actions in the fields of border crossing management and mobility and migration management, including the protection of migrants.

Article 16

Preparation and submission of Interreg programmes

(...)

4. The designation of the managing authority of an Interreg programme shall be based on a public procedure for submission of applications open to the various levels of the administrations of the Member States and the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, on the basis of a previously defined and published specifications.

~~4.~~ **5.** *The Member State hosting the prospective managing authority, shall submit an Interreg programme to the Commission by [date of entry into force plus nine months;] on behalf of all participating Member States and, where applicable, third countries, partner countries or OCTs.*

However, an Interreg programme covering support from an external financing instrument of the Union shall be submitted by the Member State hosting the prospective managing authority no later than six months after the adoption by the Commission of the relevant strategic programming document under Article 10(1) or where required under the respective basic act of one or more of an external financing instrument of the Union.

6. The presentation of the programme to the European Commission must be preceded by the establishment of the Monitoring Committee, accompanied by the opinion of this on the programme proposal.

The participating Member States and, where applicable, third countries, partner countries or OCTs shall confirm in writing their agreement to the contents of an Interreg programme prior to its submission to the Commission. That agreement shall also include a commitment by all participating Member States and, where applicable, third countries, partner countries or OCTs to provide the co-financing necessary to implement the Interreg programme and, where applicable, the commitment for the financial contribution of the third countries, partner countries or OCTs.

By way of derogation from the first subparagraph, in the case of Interreg programmes involving outermost regions and third countries, partner countries or OCTs, the Member States concerned shall consult the respective third countries, partner countries or OCTs before submitting the Interreg programmes to the Commission. In that case, the agreements to the contents of the Interreg programmes and the possible contribution of the third countries, partner countries or OCTs may, instead, be expressed in the formally approved minutes of the consultation meetings with the third countries, partner countries or OCTs or of the deliberations of the regional cooperation organisations.

~~5.~~ **7.** *The Commission is empowered to adopt delegated acts in accordance with Article 62 to amend the Annex in order to adapt to changes occurring during the programming period for non-essential elements thereof.*

Article 17

Content of Interreg programmes

1. Each Interreg programme shall set out a joint strategy for the programme's contribution to the **common European territorial cooperation strategy**, policy objectives set out in Article [4(1)] of Regulation (EU) [new CPR] and to the Interreg-specific objectives set out in Article 14(4) and (5) of this Regulation and the communication of its results.

(...)

4. Each Interreg programme shall set out:

- (a) The programme area (including a map thereof as a separate document);
- (b) A summary of the main joint challenges, taking into account:
 - i) economic, social and territorial disparities;
 - ii) joint investment needs and complementarity with other forms of support;
 - iii) lessons learnt from past experience;
 - iv) macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies;
- (c) a justification for the selected policy objectives and Interreg-specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure;
- (d) For each priority, except for technical assistance, specific objectives;
- (e) For each specific objective:
 - i) the related types of actions, including a list of planned operations of strategic importance, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate;
 - ii) output indicators and result indicators with the corresponding milestones and targets;
 - iii) the main target groups;
 - iv) specific territories targeted, including the planned use of integrated territorial investments, community-led local development or other territorial tools;
 - v) the planned use of financial instruments;
 - vi) an indicative breakdown of the programmed resources by type of intervention;
 - vii) **the procedures for project selection (open calls, restricted calls, submission in one step or double step, etc.)**

(f) For the technical assistance priority, the planned use in accordance with Articles [30], [31] and [32] of Regulation (EU) [new CPR] and relevant types of intervention;

(g) A financing plan containing the following tables (without any division per participating Member State, third country, partner country or OCT, unless specified otherwise therein):

i) a table specifying the total financial allocation for the ERDF and, where relevant, for each external financing instrument of the Union for the whole programming period and by year;

ii) a table specifying the total financial allocation for each priority by the ERDF and, where relevant, by each external financing instrument of the Union by priority and the national co-financing and whether the national co-financing is made up of public and private co-financing;

(h) the actions taken to involve the relevant programme partners referred to in Article [6] of Regulation (EU) [new CPR] in the preparation of the Interreg programme, and the role of those programme partners in the implementation, monitoring and evaluation of that programme;

i) the envisaged approach to communication and visibility for the Interreg programme through defining its objectives, target audiences, communication channels, social media outreach, planned budget and relevant indicators for monitoring and evaluation.

i:i) credits related to the implementation of macro-regional strategies and maritime basin strategies in which Member States and regions participate.

7. The Interreg programme shall:

(a) identify the managing authority, the audit authority and the body to which payments are to be made by the Commission **and intermediate bodies with management functions delegated by the Managing authority;**

(b) lay down the procedure for setting up the joint secretariat;

(c) set out the apportionment of liabilities among the participating Member States and, where applicable, third or partner countries or OCTs, in the event of financial corrections imposed by the managing authority or the Commission.

(...)

Article 19

Amendment of Interreg programmes

1. The **Programme monitoring Committee, through the** Member State hosting the managing authority may submit a motivated request for an amendment of an Interreg programme together with the amended programme, setting out the expected impact of that amendment on the achievement of the objectives.

(...)

Article 20

Integrated territorial development

For Interreg programmes, the relevant urban, **metropolitans**, local or other territorial authorities or bodies responsible for drawing up territorial or local development strategies as listed in Article [22] of Regulation (EU) [new CPR] or responsible for the selection of operations to be supported under those strategies as referred to in Article [23(4)] of that Regulation or for both shall be either cross-border legal bodies or EGTCs.

A cross-border legal body or an EGTC implementing an integrated territorial investment under Article [24] of Regulation (EU) [new CPR] or another territorial tool under point (c) of Article [22] of that Regulation may also be the sole beneficiary pursuant to Article 23(5) of this Regulation, provided that there is a separation of function inside the cross-border legal body or the EGTC.

Article 22

Selection of Interreg operations

(...)

3. The selection of operations must be based on aThe call for submission of applications which may provide for the Pre-qualification of operations promoters to support and the submission and approval of multiannual work plans.

3- 4. The managing authority shall consult the Commission and take its comments into account prior to the initial submission of the selection criteria to the monitoring committee or, where applicable, the steering committee. The same shall apply for any subsequent changes to those criteria.

(...)

Article 23

Partnership within Interreg operations

(...)

~~2. An Interreg operation may be implemented in a single country, provided that the impact on and the benefits for the programme area are identified in the operation application.~~

(...)

6. A cross-border legal body ~~or an EGTC~~ may be the sole partner of an Interreg operation under component 1, 2 and 3 Interreg programmes, provided that the members thereof involve partners from at least two participating countries.

The cross-border legal body ~~or EGTC~~ shall have members from at least three participating countries under component 4 Interreg programmes.

(...)

Article 27

Monitoring committee

1. The Member States and, where applicable, the third countries, partner countries and OCTs participating in that programme shall set up, ~~in agreement with the managing authority,~~ a committee to monitor implementation of the respective Interreg programme ('monitoring committee') ~~before the presentation within three months of the date of notification to the Member States of to the Commission the proposal of decision adopting an~~ Interreg programme,

2. The monitoring committee shall be chaired by a representative of the Member State hosting the managing authority ~~or of the managing authority.~~

Where the rules of procedure of the monitoring committee establish a rotating chair, the monitoring committee may be chaired by a representative of ~~with Member State,~~ of a third country, partner country or OCT, and cochaired by a representative of the Member State ~~or of the managing authority,~~ and vice-versa.

3. Each member of the monitoring committee shall have the right to vote. ~~Observers and guest members have no right to vote.~~

4. Each monitoring committee shall adopt its rules of procedure during its first meeting.

The rules of procedure of the monitoring committee and, where applicable, of the steering committee shall prevent any situation of conflict of interest when selecting Interreg operations.

5. The Monitoring Committee shall meet before the submission of the programme proposal to the Commission and issue an opinion that should accompany the presentation of the programme.

5. 6. The monitoring committee shall meet at least once a year and shall review all issues that affect the programme's progress towards achieving its objectives.

6. 7. The managing authority shall publish the rules of procedures of the monitoring committee and all the data and information shared with the monitoring committee on the website referred to in Article 35(2).

Article 28

Composition of the monitoring committee

1. The composition of the monitoring committee of each Interreg programme shall be agreed by the Member States and, where applicable, by the third countries, partner countries and OCTs participating in that programme and shall ensure a balanced representation of the relevant authorities, intermediate bodies and representatives of the programme partners referred to in Article [6] of Regulation (EU) [new CPR] from Member States, third countries, partner countries and OCTs.

The composition of the monitoring committee shall take into account the number of participating Member States, third countries, partner countries and OCTs in the Interreg programme concerned.

The monitoring committee shall also include representatives of bodies jointly set up in the whole programme area or covering a part thereof, including **the entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity and the EGTCs.**

(...)

Article 29

Functions of the monitoring committee

1. The monitoring committee shall examine:

(a) The INTERREG programme proposal to be submitted to the Commission;

(...)

2. In addition to its tasks concerning the selection of operations listed in Article 22, the monitoring committee shall approve:

(a) the methodology and criteria used for the selection of operations, including any changes thereto, after consultation with the Commission pursuant to Article 22(2), without prejudice to [points (b), (c) and (d) of Article 27(3)] of Regulation (EU) [new CPR];

(b) The evaluation plan, **communication plan** and any amendment thereto;

(c) Any proposal by the managing authority for the amendment of the Interreg programme including for a transfer in accordance with Article 19(5);

(d) The final performance report.

Article 36

Rules on eligibility of expenditure

1. All or part of an Interreg operation may be implemented outside of a Member State, including outside the Union, provided that the Interreg operation contributes to the objectives of the respective Interreg programme.

2. The ERDF welcomes, within the framework of European territorial cooperation, the eligibility of ESF Plus and the Cohesion Fund.

(...)

Article 43

Costs for infrastructure and works

Costs for infrastructure and works shall be limited to the following:

- (a) Purchase of land in accordance with [point (c) of Article 58(1)] of Regulation (EU) [new CPR];
- (b)** Building permits;
- ~~(b)~~ **(c)** Studies, including Preparatory technicians, Environmental impact Assessment of feasibility
- ~~(c)~~ **(d)** Building material;
- ~~(d)~~ **(e)** Labour
- ~~(e)~~ **(f)** specialised interventions (e.g. soil remediation, mine-clearing).

Article 45

Functions of the managing authority

(...)

4. By way of derogation from [point (c) of Article 70(1)] of Regulation (EU) [new CPR], expenditure paid in another currency shall be converted into euro by each partner using the monthly accounting exchange rate of the Commission in the month during which that expenditure was submitted for verification to the managing authority in accordance with [point (a) of Article 68(1)] of that Regulation, **or in the month where the expenses were incurred.**

Article 49

Payments and pre-financing

(...)

2. The Commission shall pay a pre-financing based on the total support from each Interreg fund, as set out in the decision approving each Interreg programme under Article 18, subject to available funds, in yearly instalments as follows and before 1 July of the years 2022 to 2026, or, in the year of the approving decision, no later than 60 days after that decision is adopted:

- (a) 2021: **+** 4%
- (b) 2022: **+** 3%
- (c) 2023: **+** 3%

(d) 2024: + 2%

(e) 2025: + 2%

(f) 2026: 1%

(...)

4. The authorities responsible by programme should provide an amount under pre-financing of the operations in a minimum quantity of 25% of the approved total support. In the event of insufficient financial resources, it should be given priority to operations promoted by Entities created for the development of initiatives for European territorial cooperation, with a legal nature and a permanent activity, EGTC and other entities that do not promote profit objectives.

Article 50

Recoveries

1. The managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the **lead or sole** partner ~~to which the payment was made. Partners shall repay to the lead partner any amounts unduly paid;~~

2. Where ~~the lead partner does not succeed in securing repayment from other partners or where~~ the managing authority does not succeed in securing repayment from the ~~lead or sole~~ partner, the Member State, third country, partner country or OCT on whose territory the partner concerned is located or, in the case of an EGTC, is registered shall reimburse the managing authority any amounts unduly paid to that partner. The managing authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union, in accordance with the apportionment of liabilities among the participating Member States, third countries, partner countries or OCTs laid down in the Interreg programme.

(...)

Article 58

Conclusion of Financing Agreements under shared management

1. In order to implement an Interreg programme in a third country, partner country or OCT, in accordance with Article [112(4)] of Regulation (EU, Euratom) [FR-Omnibus], a financing agreement shall be concluded between the Commission representing the Union and each participating third country, partner country or OCT represented in accordance with its national legal framework.

2. Any financing agreement shall be concluded at the latest on 31 December of the year **in which the programme is adopted following the year when the first budget commitment was made**, and shall be considered concluded on the date when the last party has signed it.

Any financing agreement shall enter into force either on the date:

(a) When the last party has signed it; or

(b) When the third or partner country or OCT has completed the procedure required for ratification under its national legal framework and informed the Commission.

3. Where an Interreg programme involves more than one third country, partner country or OCT, at least one financing agreement shall be signed by both parties before that date. The other third countries, partner countries or OCTs may sign their respective financing agreements at the latest on 30 June of the second year following the year **the program was adopted when the first budget commitment was made**.

(...)

Article 61

Interregional innovation investments

At the initiative of the Commission **and with recourse to the procedure laid down in article 63**, the ERDF may support interregional innovation investments, as set out in point 5 of Article 3, bringing together researchers, businesses, civil society and public administrations involved in smart specialisation strategies established at national **or** regional **or** local levels.



4.8. PROPOSALS ON THE DRAFT REGULATION LAYING DOWN COMMON PROVISIONS ON THE ESI FUNDS

COM (2018) 375 final

Article 17

Content of programmes

(...)

3. Each programme shall set out:

(a) A summary of the main challenges, taking into account:

- i) economic, social and territorial disparities, except for programmes supported by the EMFF;
- ii) market failures, investment needs and complementarity with other forms of support;
- iii) challenges identified in relevant country-specific recommendations and other relevant Union recommendations addressed to the Member State;
- iv) challenges in administrative capacity and governance;
- v) lessons learnt from past experience;
- vi) macro-regional strategies and sea-basin strategies where Member States and regions participate in such strategies, **and Interreg programmes should provide for an appropriation of funds adjusted for their implementation;**
- vii) for programmes supported by the AMIF, the ISF and the BMVI, progress in implementing the relevant Union acquis and action plans;

(...)

(f) A financing plan containing:

- i) a table specifying the total financial allocations for each of the Funds and for each category of region for the whole programming period and by year, including any amounts transferred pursuant to Article 21;

ii) a table specifying the total financial allocations for each priority by Fund and by category of region and the national contribution and whether it is made up of public and private contribution;

iii) for programmes supported by the EMFF, a table specifying for each type of area of support, the amount of the total financial allocations of the support from the Fund and the national contribution;

iv) for programmes supported by the AMIF, the ISF and the BMVI, a table specifying, by specific objective, the total financial allocations by type of action, the national contribution and whether it is made up of public and private contribution;

iv) v) In the case of the Interreg programmes, the claims relating to the implementation of macro-regional strategies and the strategies for the sea basins;

(...)

Article 104

Resources for the Investment for jobs and growth goal and for the European territorial cooperation goal (Interreg)

(...)

7. Resources for the European territorial cooperation goal (Interreg) shall amount to **2-5** % of the global resources available for budgetary commitment from the Funds for the period 2021-2027 (i.e. a total of EUR **16.000.000.000 8.430.000.000**).

Article 106

Determination of co-financing rates

(...)

4. The co-financing rate for Interreg programmes shall be no higher than **70-85%**.

The ETC Regulation may establish higher co-financing rates for external cross-border cooperation programmes under the European territorial cooperation goal (Interreg).

5. Technical assistance measures implemented at the initiative of, or on behalf of, the Commission may be financed at the rate of 100 %.



4.9.

PRESENTATION OF THE ENTITIES THAT COMPRISE THE C4C



Cities for Cooperation Platform

C4C - Cities for Cooperation is a platform of non-governmental entities with a legal nature and a permanent activity and with extensive experience in promoting cooperation initiatives and in the monitoring of programs integrated in the various plans of European territorial cooperation, constituted with the objective of promoting reflection on the future of post 2020 Cohesion Policy in general and on the future of European territorial cooperation in particular.

It considers that the peripheral regions of the European Union have a common vision on the importance of European territorial cooperation in their territories and on the adjustments that need to be made to strengthen their role in European integration.

Constituted by **RIET - Iberian Network of Cross border Cooperation Entities**, by **MED-CITIES - Mediterranean Cities Network**, by **Eixo Atlantico - Atlantic Axis of Peninsular Northwest**, by **FAIC - Forum of Adriatic and Ionian Cities** and by the **CCAA - Conference of Atlantic Arc Cities**, it is proposed to promote a broad debate and the identification of common problems and solutions adjusted to reality of the peripheral regions of the European Union, regions in which the main problems and challenges facing the European Union and the future of Cohesion Policy have been particularly impacted.



RIET - Iberian Network of Cross border Cooperation Entities, is a cross-border association of territorial cooperation, established in 2009 by organizations of proximity, in the border of Spain and Portugal, under the Treaty of Valencia.

Established as a cooperation network, which strengthens the intervention, promotes local, regional, national and European cooperation, thus contributing to the ultimate goal of improving the citizens' quality of life.

It promotes a space for reflection on the role of cross-border organizations in the development of Iberian cooperation and its visibility on a European scale and the development of strategic reflection and work on cross-border issues of European interest in general and the Spain - Portugal border in particular.

It is composed of 23 associated entities, associations of municipalities, entities created for cross-border cooperation, business associations and universities.



The **EIXO ATLÂNTICO – Atlantic Axis of Peninsular Northwest**, is a cross-border territorial development association through the cooperation. Created in 1992, it integrates 36 municipalities and local authorities and configures the urban system of the euro-region Galicia-North of Portugal.

The main purpose is the economic, social, cultural, technological and scientific development of the cities and regions that constitute it. In this way, the Atlantic Axis constitutes a cross-border association integrated by the main cities and entities of Galicia and the Northern region of Portugal, whose aim is to promote economic, social and cultural cohesion, in particular by structuring a common territory.



MEDCITIES - The Mediterranean Cities Network, created in Barcelona in November 1991 as an initiative of the Mediterranean Environmental Technical Assistance Program, aims to strengthen decentralized interventions involving technical assistance as a way of promoting the importance of urban environmental problems, and aiming to reinforce municipal power in developing countries.

Being a network of Mediterranean communities and cities belonging to different countries, it aims at sustainable urban development as a way of improving living conditions in the regions.

The network comprises more than 50 cities in 14 Mediterranean countries, such as: Agadir, Alejandria, Ancona, Antalya, Barcelona, Commonwealth of Batroun, Benghazi, Bizerte, Chefchaouen, Commonwealth of Darnieh, Djerba, Dubrovnik, El Fayhaa Urban Community, El Mina, Gabes, Gaza, Izmir, Jbeil (Byblos), Commonwealth of Jezzine, Kairouan, Commonwealth of Koura, Larnaka, Lemesos, Mahdia, Málaga, Marseille, Monastir, M'Saken, Nabeul, Roma, Saida, Sfax, Sidi Bou Said, Sousse, Tanger, Tétouan, Tirana, Tripoli, Tunis, Oran, Zarqa, Zgharta-Ehden and Metropolitan Area of Barcelona.

Conference of Atlantic Arc Cities - Conférence des Villes de l'Arc Atlantique



Conferencia de las Ciudades del Arco Atlántico - Conferência das Cidades do Arco Atlântico

The **CCAA - Conference of Atlantic Arc Cities** is a network of territorial cooperation, based on the particular identity of the Atlantic Cities. Since 2000, the Atlantic Arc Cities Conference has stated its position as the Atlantic Urban Forum, facilitating cooperation between its members and other stakeholders, such as raising the awareness of the European institutions on issues of Atlantic cities' concern.

It assumes itself as a club of the Atlantic cities: The Urban Forum of the European Atlantic facade and as a Community that includes both cities and other actors, and, above all, citizens. It promotes campaigning, cooperation through European projects and presents itself as a resource center for Atlantic cities, ensuring that their activities contribute to the information, training and enhancement of members' European activities.

It consists of 18 members representing 200 local entities that make up the Atlantic Arc.



The **FAIC Forum of Adriatic and Ionian Cities**, is an association created in 1999 in Ancona (Region Marche), at the initiative of this city and the National Association of Italian Municipalities, it is part of 60 cities of 8 Countries Adriatic and Ionian, Albania, Bosnia-Herzegovina, Croatia, Greece, Italy, Serbia, Montenegro and Slovenia, constituting itself as a forum for the economic, social, environmental and cultural development of the Adriatic and Ionian cities.

FAIC is a pioneering association in intensifying international cooperation in the area of Adriatic and the Ionian Through the Universities Forum (UNIADRION) and Chambers of Commerce

Forum AIC), the Ionian Initiative (ALI) and the EUSAIR. Contributes to European integration and extending its policies and strategies, through the promotion of innovative forms of decentralized cooperation and partnerships between local authorities of member countries.

As a civil society organization, it collaborates with the executive of EUSAIR (with 2014 357, p. 52). with UNIADRION and the CBI forum was recently constituted as a joint secretariat to intensify and coordinate its performance.

