## Specific provisions for European territorial cooperation goal (Interreg) supported by European Regional Development Fund (ERDF) and external financing instruments 2021;2027

2018/0199(COD) - 29/05/2018 - Legislative proposal

PURPOSE: to lay down the specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments for the period 2021-2017.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: in order to simplify the legislative structure and ensure clarity of the applicable provisions in the field of cohesion, the common provisions regulation (<u>CPR</u>) lays down common rules and specific rules for the Funds. So goes for the Regulation covering both the ERDF and the Cohesion Fund intervening under Investment for jobs and growth and, for the ERDF, under the European territorial cooperation goal (Interreg).

As part of a major simplification effort, the Commission now proposes to adopt specific provisions in relation to the European territorial cooperation goal (Interreg) where one or more Member States cooperate across borders with regard to effective programming.

The Instrument for Pre-Accession Assistance (IPA) actively promotes territorial cooperation. The added value is obvious: actions for reconciliation and confidence-building in the Western Balkans, actions to overcome geographical and psychological obstacles and to establish good neighbourly relations.

The 13 ENPI (European Neighbourhood and Partnership Instrument) CBC programmes implemented during the 2007-2013 period covered nine EU land borders, three sea basins and one sea crossing. The programmes involved 34 countries, 19 EU Member States and 12 of the 16 neighbourhood partner countries plus Norway, Russia and Turkey

CONTENT: the proposed Regulation lays down rules for the European territorial cooperation goal (Interreg) with a view to fostering cooperation between Member States inside the Union and between Member States and adjacent third countries, partner countries, other territories or overseas countries and territories (OCTs) respectively.

- · With regard to support from the Instrument for Pre-Accession Assistance (IPA III), the Neighbourhood, Development and International Cooperation Instrument (NDICI) and the funding for all the OCTs for the period 2021 to 2027, the proposal defines additional specific objectives as well as the integration of those funds into Interreg programmes, the criteria for third countries, partner countries and OCTs and their regions to be eligible and certain specific implementation rules.
- With regard to support from the ERDF and the external financing instruments of the Union (the Interreg funds) to Interreg programmes, this proposed Regulation defines the Interreg-specific objectives as well as the organisation, the criteria for Member States, third countries, partner countries and OCTs and their regions to be eligible, the financial resources, and the criteria for their allocation.

European territorial cooperation (Interreg) objective strands: support shall be provided by the ERDF and, where appropriate, by the Union's external financing instruments for the following five components: (i) cross-border; (ii) transnational and maritime; (iii) outermost regions; (iv) interregional cooperation and; (v) the new interregional innovation investments.

Geographical coverage: the cross-border cooperation component shall focus on NUTS level 3 regions of the Union along all internal and external land borders with third countries or partner countries, while cross-border cooperation along maritime borders shall be integrated into the broader transnational and maritime cooperation component.

The Commission stresses that access to public services such as hospitals and universities is generally more difficult in border regions. Moreover, navigating between different administrative and legal systems is still often complex and costly. The proposal therefore aims to help cross-border cooperation programmes to focus on institutional cooperation, solving border problems and investment in common services of public interest.

Transnational cooperation shall cover larger territories on the mainland of the Union, whereas maritime cooperation shall cover territories around sea-basins and integrate cross-border cooperation on maritime borders during the programming period 2014-2020.

A specific outermost regions component shall be established in order to enable outermost regions to cooperate with their neighbouring countries and territories in the most effective and simple way.

The list of Interreg programmes to receive financial support shall be set out in an implementing act adopted by the European Commission.

Specific objectives: taking into account the special features of Interreg, two Interreg-specific objectives are set out: (i) 'better Interreg governance'; and (ii) 'a safer and more secure Europe', The proposed Regulation also sets out specific percentages for thematic concentration.

Programming, monitoring, eligibility: the proposal: (i) clarifies the rules governing funds for small projects that offer real added value and play an important role in building trust between citizens and institutions; (ii) ensures consistent monitoring of performance by refining the common set of performance indicators; (iii) establishes a clear hierarchy between the EU eligibility rules, the specific rules for Interreg programmes and, finally, the national eligibility rules.

BUDGETARY IMPLICATION: this proposal has no budgetary implications. The ERDF resources for the European territorial cooperation goal (Interreg) shall amount to EUR 8.43 billion of the global resources available for budgetary commitment from the ERDF, ESF+ and the Cohesion Fund for the 2021-2027 programming period. The resources shall be allocated as follows:

- 52.7% (EUR 4.44 billion in total) for cross-border cooperation (component 1);
- 31.4% (EUR 2.65 billion in total) for transnational cooperation and maritime cooperation (component 2);
- 3.2% (EUR 270.1 million in total) for outermost regions cooperation (component 3);
- 1.2% (EUR 100 million in total) for interregional cooperation (component 4);
- 11.5 % (a total of EUR 970 million) for interregional innovation investments (component 5).