

# **EU Cohesion Policy**

**2007-2013**

## **Focus on European Territorial Cooperation**

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# Content

- Structural Funds 2007-2013
- European Territorial Co-operation
- IPA programmes
- Next Steps

# **Cohesion Policy 2007-2013**

# Cohesion Policy 2007-2013

**Scope maintained:**

- **Reinforcement of the economic and social cohesion**
- **Cohesion policy as main element for a harmonious development of the entire European Union**

# **Cohesion policy re-orientated on the priorities of the Union**

**(sustainable development)**

- Employment and social inclusion**
- Competitiveness (innovation, research, education) and accessibility**
- Territorial Cooperation**

# Structural Funds 2007-2013

## 3 Objectives

- Convergence: for less developed regions (<75% Community average)
- Competitiveness and Employment: for regions which need to consolidate their activities through reinforcement of competitiveness)
- European Territorial Co-operation: also to face increased number of borders)

# Objectives, Structural Funds and instruments 2007-2013

Objectives	Structural Funds and instruments		
<b>Convergence</b> (251,1 billions € = 81,54%)	ERDF	ESF	Cohesion Fund
<b>Regional Competitiveness &amp; Employment</b> (38,7 billions € = 15,95%)	ERDF	ESF	
<b>European territorial Cooperation</b> (7,7 billions € = 2,52%)	ERDF		
	infrastructure, innovation, investments etc.	vocational training, employment aids etc.	environmental and transport infrastructure, renewable energy

**FROM INTERREG III  
to  
European Territorial  
Co-operation**



# European Territorial co-operation (INTERREG IV)

## Status:

- Broadly similar content and approach
- Objective in its own right

## Strands:

- Cross-border co-operation 74% \*
- Transnational co-operation 21%\*
- Interregional co-operation 5%

## Financing:

- Increased budget (€5.8 bn → €8.8 bn)
- Internal CBC – €5.6bn, €900m transferred to external borders (ENPI and IPA)
- Transnational – €1.8bn
- Interregional – €400m

# New Co-operation Objective

- 2.52% of total allocation for Cohesion Policy  
**In addition, interregional co-operation with regions in other Member States will be encouraged in Convergence and Competitiveness programmes**
- EUR 814m **to be transferred from Objective 3 ERDF-allocation from the Member States concerned to the external instruments (ENPI and IPA)**
- Co-financing rate: up to 75% or 85%  
(now: up to 50% or 75%)

# European Territorial co-operation (INTERREG IV)

## Geography:

- Programme for each border or group of borders
- Appropriate grouping at NUTS III level
- Maritime borders separated by up to 150 km
- 20% may be used in adjacent NUTS III regions, or surrounding NUTS II region
- 10% may be used outside the EU if of benefit for EU regions  
(External EU borders will in most cases be covered by the ENPI and the IPA)

## Implementation:

- Lead Partner principle obligatory
- MA, CA, AA, and JTS structures for implementation

# European Territorial co-operation (INTERREG IV)

## Content:

- Entrepreneurship and SMEs, tourism, culture and cross-border trade
- Protection and joint management of the environment
- Urban-rural links
- Better access to transport, information and communication networks
- Water, waste management and energy management systems
- Health, culture and education infrastructure

# European Territorial co-operation (INTERREG IV)

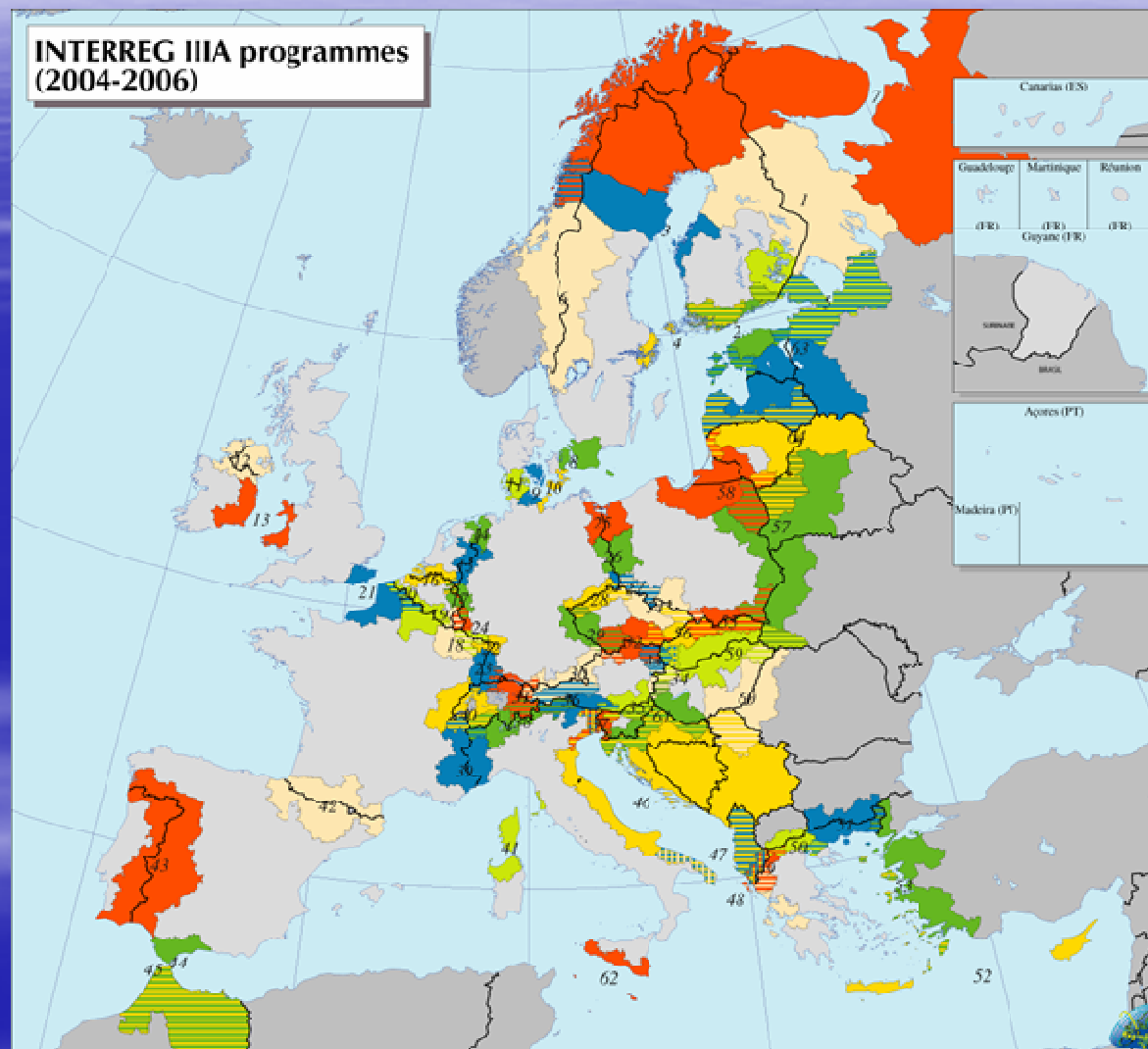
## Co-financing:

- Each programme can decide to operate on total eligible cost or total public cost
- Up to 75% at programme level, unless a new Member State, Greece or Portugal is participating: then up to 85%
- No co-financing limit at priority or project level

## Payments and expenditure:

- 2% advance in 2007 plus 3% in 2008 (plus 2% in 2009 for programmes involving a new MS)
- N+3 for programmes involving EU-14 Member State for 2007-2010; N+2 for all others

# CROSSBORDER CO-OPERATION : Today 62 cross-border programmes



## 2007-2013: 52 cross-border programmes expected



### Geographical Scope and eligible areas

- Eligibility defined at NUTS III level
- 20% may be spent in adjacent NUTS III
- Maritime borders eligible (>150km)
- External EU borders : ENPI or IPA

# **Cross-border programmes essentially local in nature**

- **Entrepreneurship and SMEs, cross-border trade, tourism and culture**
- **Protection and joint management of the environment**
- **Better access to transport**
- **Information and communication networks**
- **Water, waste management and energy management systems**



# TRANSNATIONAL CO-OPERATION

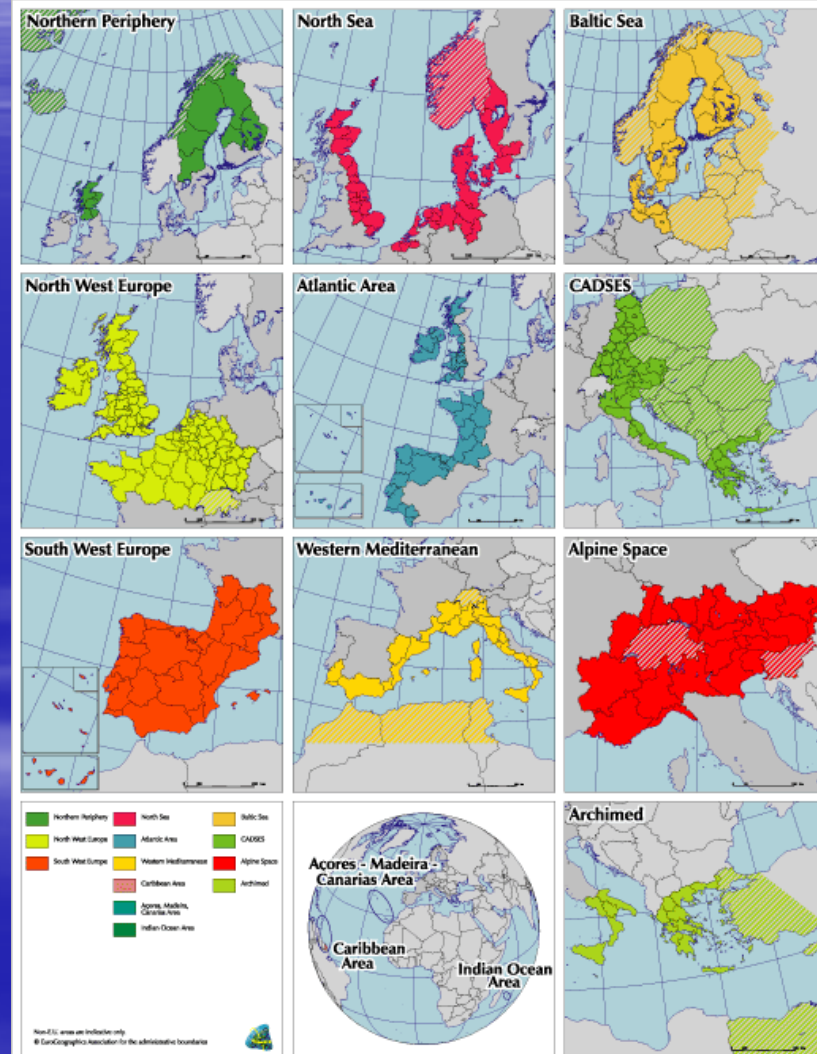
Today 13 programmes (10: European continent and 3: outermost regions), 2007-2013: 13 programmes.



Interreg 3B: Non-continental and overseas cooperation areas

- Member States
- Outermost regions

Interreg 3B (2000-2006): Cooperation areas



# Transnational co-operation

- Allocation principle: national population
- Higher profile programmes: more strategic approach
- Problems that concern a larger area than one country
- Projects that favour the whole co-operation area
- Some strategic projects developed by the programme, involving both regional and national authorities – some of these projects may be written into the Programming document

# Transnational co-operation

## Focus on

- Innovation, RDT, enterprises
- Environment, water management, risk prevention, including maritime safety
- improved accessibility, transport, information and communication technology
- urban development

# Transnational co-operation

- **Concrete projects with some investments**
- **Networking, plans and studies only to prepare concrete projects**
- **Not only open calls for proposals but also focussed calls**

# Interregional co-operation

- **Build on positive experiences from the present period**
- **Main purpose: to reinforce the effectiveness of regional policy by promoting networking and exchange of experience**
- **Strengthened emphasis on encouraging a learning process from regions experienced in a certain topic to other regions that wish to improve in the same topic**

# Interregional co-operation programmes foreseen

- Thematic interregional co-operation programme focusing on Lisbon and Gothenburg priorities “ Innovation and the knowledge economy – Environment and risk prevention” (based on INTERREG IIIC)
- Framework programme for the exchange of experiences on urban renewal (developed on the basis of URBACT)
- Identification, transfer and dissemination of best practice in management of co-operation programmes (developed on the basis of INTERACT)
- Studies and data collection, observation and analysis of development trends in the Community (developed on the basis of ESPON)

# Regions for Economic Change

- A proactive instrument linking regions together
- Drawing on best practices of high performance regions for developing regions
- Helping Member States and regions to implement actions aiming at economic modernisation
- Linking to their Convergence and Competitiveness programmes

# Regions for Economic change

- Fast-track networks

Up to 20 networks on 20 themes set up within the framework of

- Interregional Co-operation  
INTERREG IV

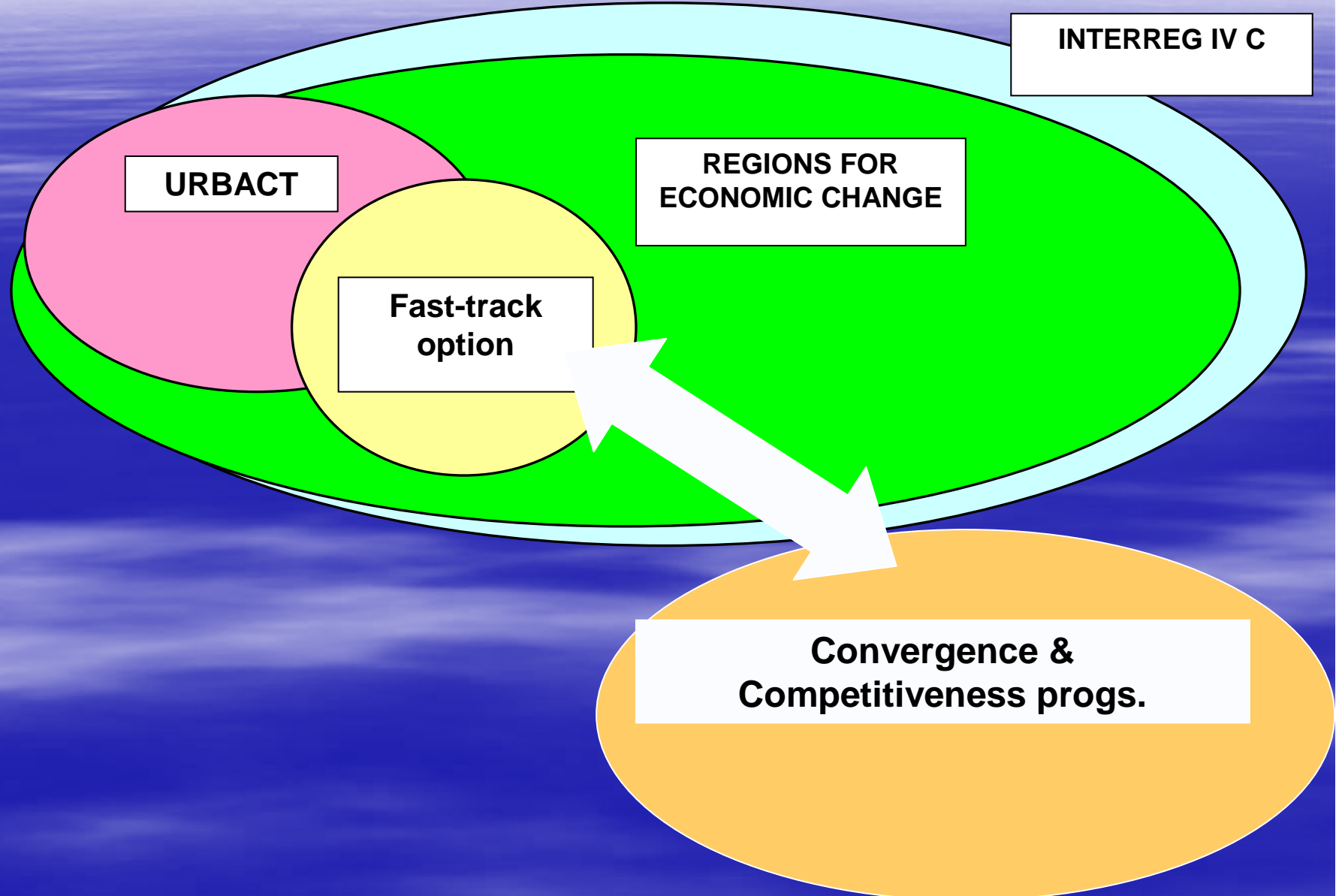
- URBACT

- Regional initiatives and Capitalisation Work



# Regions for Economic Change

INTERREG IV C 2007-2013



# More ambitious programmes to support true co-operation projects of high quality

- **No pre-allocations** to different regions nor Member States participating in the programme
- Projects should compete on the basis of **quality and relevance**
- True **Lead Partner (LP) principle**, where the LP is responsible for implementing the whole project and concludes agreement with MA and with the beneficiaries participating in the operation (project partners)
  - Mirror projects only exceptionally

**IPA - An overview  
with a focus on  
cross-border co-operation**

# External Aid Instruments

## 2007-13: COM proposal

### Three policy driven/geographical instruments:

- Pre-Accession (IPA)
- Neighbourhood and Partnership (ENPI)
- Development Co-operation and Economic Co-operation (DCECI)

### Three crisis/global instruments:

- Stability (IfS) [+ Nuclear Safety]
- Humanitarian Aid (ECHO) – unchanged
- Macro-Financial Assistance – unchanged

# The Instrument for Pre-accession Assistance -IPA

- An integrated pre-accession instrument to assist "candidate" (Croatia, fYRoM, Turkey) and "potential candidate" countries (Albania; Bosnia and Herzegovina; Montenegro, Serbia including Kosovo under UNSCR 1244)
- Replaces Phare, ISPA, SAPARD and Turkey pre-accession instruments, as well as the CARDS instrument
- Financial envelope (2007–13): 11.5 billion € (current prices)

# Structure of the IPA: 5 components

## Single framework, differentiated approach

### **All countries:**

- I. Transition Assistance and Institution Building
- II. Cross-Border Co-operation

### **In addition, for Candidate countries:**

- III. Regional Development
- IV. Human Resources Development
- V. Rural Development

# IPA (*Component II*) CBC

## Three strands:

- CBC at land and maritime borders with Member States (EU external borders)
- CBC at borders among candidates/potential candidates (essentially Western Balkan “internal” borders)
- participation of candidates/potential candidates in the Structural Funds’ transnational (e.g. the successor of CADSES) and interregional programmes, and in ENPI Sea basins programmes, as appropriate

# The new approach for CBC at EU borders with CC/PCC (1)

- Single instrument, single legal base: IPA CBC will apply to both sides of the border, on Member States and on (potential) candidates eligible territory
- Single budget, with funding coming in a balanced way from ERDF and IPA, to be spent on both sides of the border (“common benefit”) under one set of rules [2007-13 global budget for CBC at EU-CC/PCC borders: ~ 530 million €]
- Single management structures, where authorities of both sides are represented



# The new approach for CBC at EU borders with CC/PCC (2)




- Structural Funds rules for CBC at EU internal borders to apply also at EU external borders with CC/PCC (future EU internal borders)
- Adaptations to specific conditions of CBC with third countries to be kept to a very minimum
- “Safety net” to avoid loss of funds for Member States

# Eligible Areas

- Same eligibility rules as under the Structural Funds' European territorial cooperation objective
- NUTS level III regions (or equivalent) along land and maritime borders between Member States and adjacent (potential) candidates
- Maritime borders: regions along the MS–CC/PCC borders separated by max 150 km

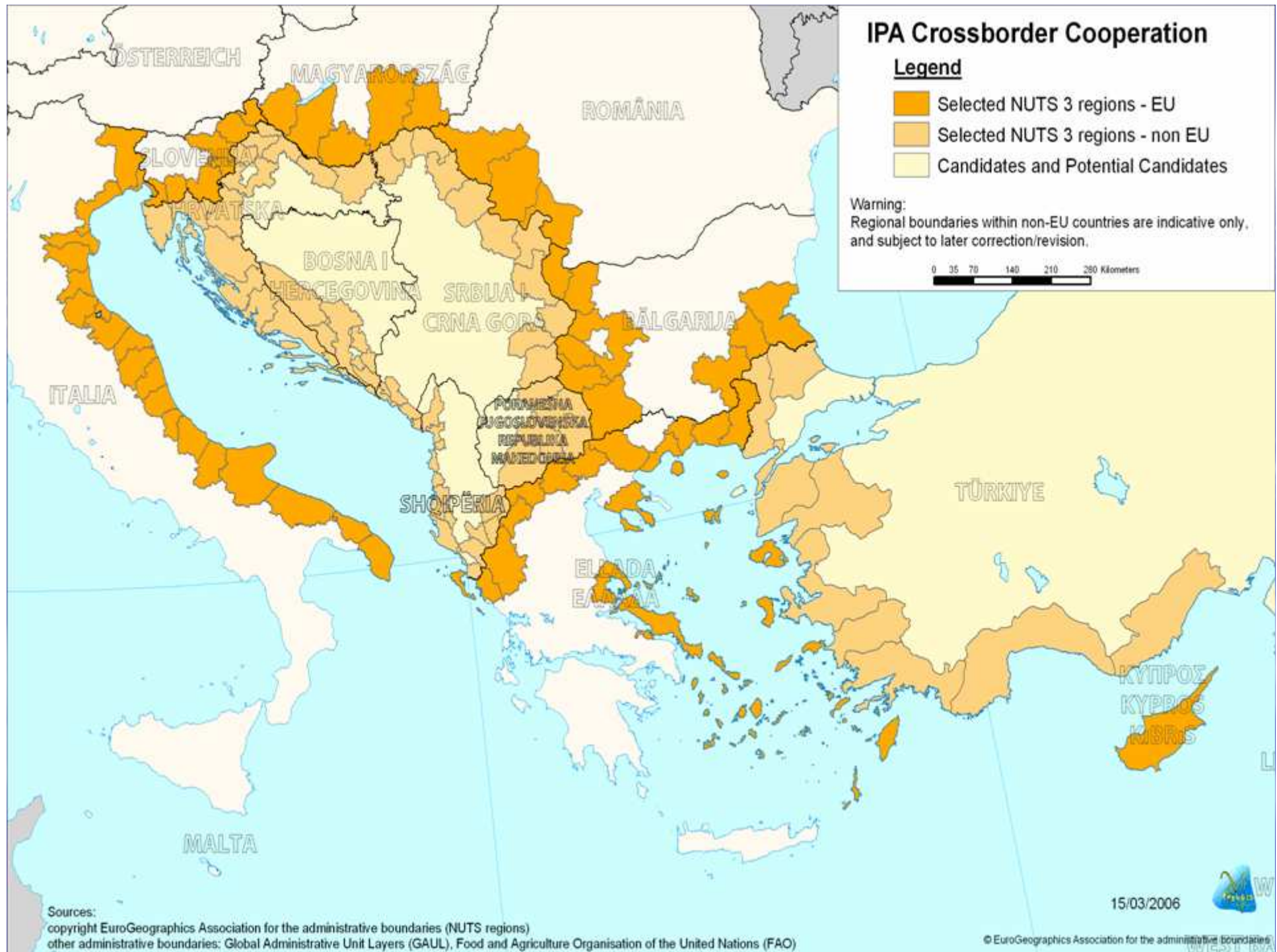
# IPA Crossborder Cooperation

## Legend

-  Selected NUTS 3 regions - EU
-  Selected NUTS 3 regions - non EU
-  Candidates and Potential Candidates

Warning:  
Regional boundaries within non-EU countries are indicative only,  
and subject to later correction/revision.

0 35 70 140 210 280 Kilometers



# IPA CBC' s Broad Aims

- Promote good neighbouring relations between countries/communities
- Promote sustainable economic and social development in the border areas
- Address common challenges in environment, public health, prevention of and fight against organised crime, ...
- Ensure efficient and secure borders
- Promote legal and administrative cooperation
- Promote local "people to people" type actions

**Next Steps**

# Next Steps

- Programme preparation must start now – if not already started
- Commission has already seen advanced drafts of several programmes
- Intention should be to submit formally before the end of the year – ideally by now
- Approval and programme launch, when possible, in early 2007

# Next steps

- Discuss programme and management structures with your potential partners
- Discuss programme and management structures with the Commission
- Think about strategic projects that should be included in the programming document
- Involve local, regional and national level as appropriate

# DG REGIONAL POLICY

Our website:

[http://europa.eu.int/comm/regional\\_policy/  
interreg3/index.htm](http://europa.eu.int/comm/regional_policy/interreg3/index.htm)