



European Territorial Cooperation in legislative proposals 2014-2020

**22 November 2011
TOULOUSE - SUDOE**

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Debate on future cohesion policy

- Europe 2020 Strategy adopted in July 2010 by EU: smart, sustainable and inclusive Growth, covering all EU Policies
- Budget Review October 2010
- 5th Cohesion Report November 2010
- Public consultation and Cohesion Forum Jan/Feb 2011
- Council conclusions 21 February on 5th Cohesion Report
- EP Report (Pieper) on 5th cohesion report and specific report on future ETC (Sanchez-Schmidt)
- COM proposal Financial perspectives 29/06/2011.
- Legislative proposals 6th October 2011

European Territorial Cooperation

Input for discussions - Very positive support

- High level group discussions on ETC in March and June 2010
- Ex-Post evaluation 2000-2006 programmes
- Input received in public consultation on 5th cohesion report, EP reports, Council Conclusions.

Special reference for Macro-regional Strategies

- Baltic Sea and Danube strategies underway, interest for strategies in other parts of Europe.
- Provide framework for aligning policies and funding with a view to increase impact, beyond ambit of cohesion policy
- Review of existing strategies needed before deciding on future approach. Current work at Council by Polish Presidency in review of progress in Baltic Strategy.
- General support for « Three No »s (no new EU legislation, institutions and funding)
- Synergies between transnational cooperation programmes and macro-regional strategies to be further explored (where geographical overlap)



Legislative package

- **General regulation**

Common provisions for cohesion policy, the rural development policy and the maritime and fisheries policies

Common provisions for cohesion policy only
(ERDF, ESF, CF)

- **Fund-specific regulations** for ERDF, ESF, CF

- **Specific ETC Regulation**

- **EGTC regulation**

- **Delegated acts (Art. 290 TFEU)**

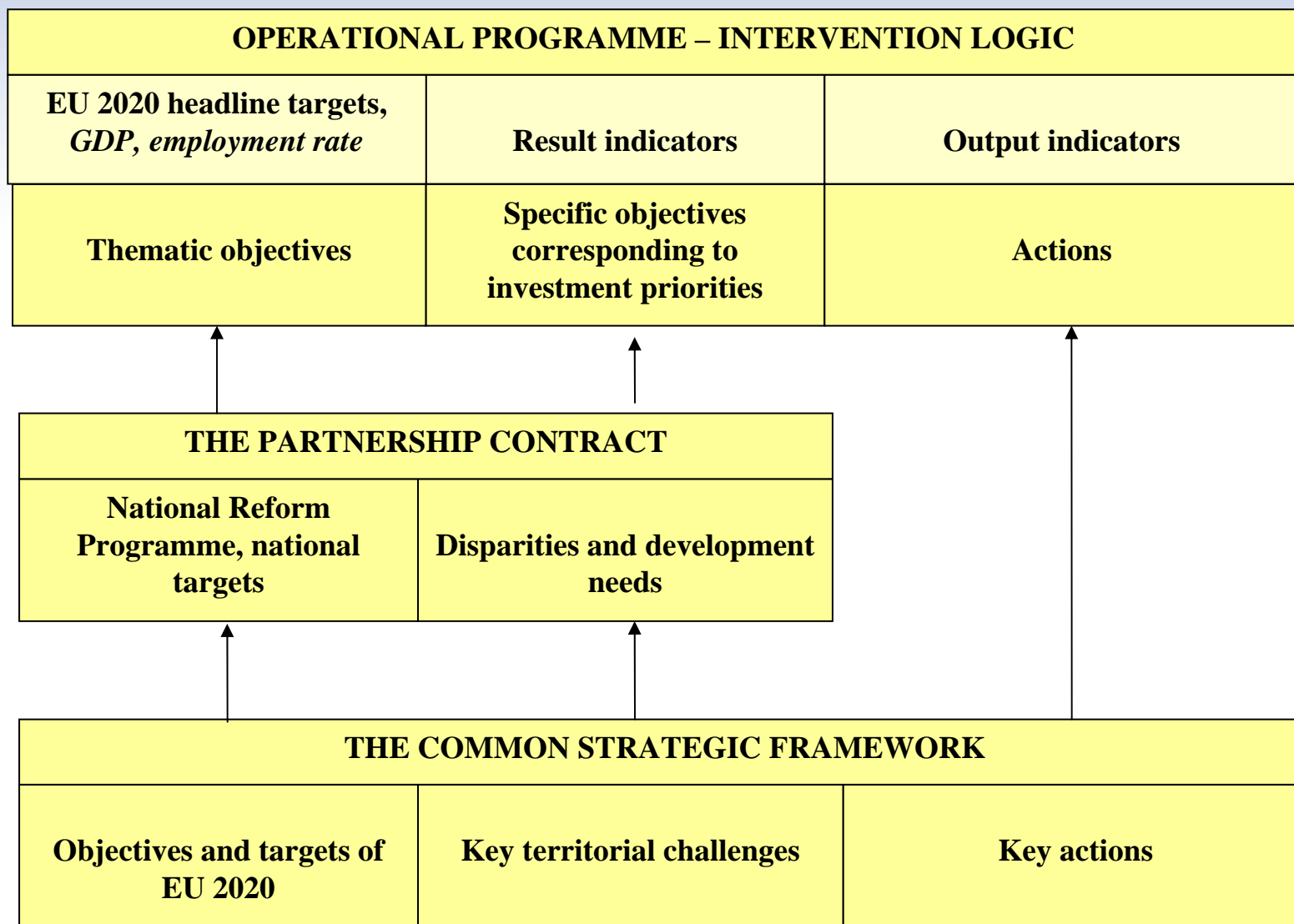
- **Implementing acts (Art. 291 TFEU)**



ETC in regulatory framework

- **Continuation of 3 strands A,B,C and geographical coverage**
- **Overall reform aims apply**
 - Europe 2020 alignment
 - Thematic concentration
 - Performance orientation [performance framework (+); reserve (-)]
 - Simplification process
- **Cooperation activities of all Funds covered by Common Strategic Framework and Partnership contracts**
- **Ex-ante and macro-economic conditionalities (-)**
- **Changes in management and control arrangements**
 - Annual closure of accounts
- **Proportionality elements in accreditation process**
 - Ex: No COM involvement for ERDF not exceeding EUR 250 mio.

General approach



Key features of ETC regulation

- Clarification of responsibilities
- Clarification of third country involvement
- Clarification of possible role of EGTC in ETC programmes
- Clarification of concept of lead beneficiary : Art. 2, 14
- Clarification on use of the Euro : Art. 26
- Strengthening of joint approach at OP and project level
 - eligibility rules
 - control and audit arrangements
 - project selection criteria



Financial Resources

- 3 categories
 - 73 % for CBC (EUR 8.6 bn)
 - 21 % for Transnational (EUR 2.4 bn)
 - 6 % for Interregional (EUR 0,7 bn)
- EUR 50 mio. to be set aside from IR allocation for outermost regions cooperation, ERDF support for outermost regions' cooperation not to be less than 150 % of 2007-2013 level
- Population = criterion for breakdown by Member State
- 75 % co-financing rate on PRIORITY AXIS level (50 % for outermost regions' specific allocation)



Financial Resources

ERDF transfer to ENI and IPA

- Amount to be transferred to be established by COM and MS
- If no programme submitted, funds to be allocated to internal CBC programmes of Member State concerned
- Programme to be discontinued if none of the partner countries have signed the financing agreement by deadline established in ENI/IPA regulations

Investment priorities and thematic concentration

- Art. 9 GenReg: 11 thematic objectives
- Art. 5 ERDF: 32 investment priorities
- Art. 6 ETC: Additional elements for 4 IP
 - ESF-type actions
 - legal and administrative cooperation and
 - cooperation between citizens and institutions (CBC)
 - macro-regional strategies (TN)
- CBC&TN: Thematic concentration on 4 thematic objectives (out of 11)
- Interregional can cover all thematic objectives



Specific programming elements

- COM to adopt programme model
- Strategy for programmes' contribution to the Unions' strategy of smart, sustainable and inclusive growth
 - Justification for choice of thematic objectives and corresponding investment priorities
 - Indicators (Annex)
- Integrated strategy for territorial development
- Effectiveness (performance framework, partnership)
- Efficient implementation (use of TA)
- Financing plan
- Implementing provisions
- Programme content to be adapted for URBACT, INTERACT, ESPON
- Confirmation of agreement to programme content in writing and commitment to provide necessary co-financing



Selection of operations

- Monitoring Committee (Steering Committee ?)
- CBC&TN: 2 beneficiaries to cooperate in four dimensions:
 - Development
 - Implementation
 - staffing and
 - financing of operations
 - Implemented in single country, if benefit for programme area
- IR&(URBACT): 3 beneficiaries to cooperate in four dimensions
- MA to provide lead beneficiary with document setting out conditions of support, including products and services to be delivered and time-limit for execution

Monitoring, Evaluation and TA

- First annual report to be submitted in 2016
- Lighter annual reports, regular electronic exchange of data
- More strategic reports in 2017 and 2019
- Annual review can also be carried out in writing
- Common output indicators
programme-specific output and result indicators
- Programme TA: Maximum of 6 % of ERDF allocation, but not less than 1,5 mio. EUR
- In MC third countries represented : Art. 42(1) GenReg

Eligibility of expenditure

- Clear hierarchy of rules:
 - Eligibility rules (incl. simplified cost options) contained in Common Provisions apply, COM may adopt additional rules for ETC
 - MC to adopt eligibility rules for entire programme on matters not covered at EU level
 - National rules apply as last resort
- Additional possibility for ETC programmes to calculate staff costs as a flat rate of up to 15% of other direct costs (e.g. for project management)

Management, control and accreditation

- Managing Authority (= Certifying Authority) + Audit Authority; MA to receive ERDF payments
- MA to set up “Joint Technical Secretariat”
- MA or controllers responsible for First level controls
- AA or “group of auditors”
- Accreditation by Member State ‘hosting’ MA



Financial management

- Single account
- Recovery from lead beneficiary → other beneficiaries
→ Member State or third country (according to written agreement)
- Decommitment: $n+3$
 - 2014 → spread 1/6 on 2015 – 2020 : Art. 127(1)
 - Allocation 2020 -> 30/9/2023 ($n+2y+9m$)
- Detailed rules on third countries in TN and IR →
in the OP and/or financing agreement
- Uniform Pre-financing arrangements (Art. 124 GenReg)



TIMELINE

- **November-December 2011: Communication from the Commission – Common Strategic Framework**
- **January 2012: Public consultation on Communication**
- **June 2012: Proposal to the Council and European Parliament – Common Strategic Framework**
- ***2012-2013: Adoption of new legislative package and agreement on new budget post 2013***
- **2014: Entry into force and adoption of programmes**