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## Euroregion Baltic



### Position Paper on EU Cohesion Policy after 2013

Consultation on the Conclusions of the Fifth Report on Economic and Social Cohesion

#### Introduction:

Euroregion Baltic and its stakeholders have been actively engaged in the implementation of the EU Cohesion Policy objectives. We therefore welcome the consultation process initiated by the European Commission and with this paper would like to express our expectations towards the Cohesion Policy after 2013. In particular, we call for:

- enhancing European Territorial Cooperation (ETC) objective of the Cohesion Policy,
- considering territorial cohesion perspectives and Europe 2020 Strategy objectives in the Cohesion Policy after 2013,
- ensuring compliance between ETC and existing functional geographies,
- replacing the 150 km limit for maritime borders with the criterion of functional geographies,
- including cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) into the EU Cohesion Policy,
- modifying the automatic de-commitment rule,
- linking the reinforced strategic framework for the territorial cooperation programmes to the macro-regional strategies.

#### Recommendations:

We strongly believe that one of the main ambitions in the preparation process of the Cohesion Policy after 2013 should be to enhance the European Territorial Cooperation. As a stakeholder in the process, ERB would like to underline that the Cohesion Policy has displayed its added value, probably most clearly, in the territorial cooperation programmes which support regions in search of common solutions to shared challenges and in joint implementation of such key EU policies as the Single Market policy, macro-regional strategies, climate and energy policy, transport policy, maritime policy, as well as Europe 2020 Strategy.

With regards to the territorial cohesion goal of the Cohesion Policy and the introduction of macro-regional strategies, as well as opinions expressed by the European Parliament, the Member States' Ministers in charge of Cohesion Policy and the Committee of the Regions, ERB supports the reinforcement of the European Territorial Cooperation of the future Cohesion Policy.

With the view to strengthening the European Territorial Cooperation, ERB would like to express its strong support to the following proposals:

- selecting the Cohesion Policy priorities according to the territorial conditions of the regions and covering obligatorily the themes which are in line with Europe 2020 Strategy, addressing appropriately these priorities from the territorial perspective,
- ensuring compliance between the geography of territorial programmes and functional geographies such as existing euroregions (cross-border) and macro-regions such as the EU Strategy for the Baltic Sea Region (transnational),
- abolishing the current limitation of maritime borders to a distance of 150 km and replacing it with joint criteria for both land and maritime borders taking into consideration functional geographies/areas,
- including cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) into the EU Cohesion Policy in order to ensure simplification of the implementation system and binding procedures as well as to avoid serious hindrances these programmes are experiencing in the current implementation period. Should it not be possible, ERB supports improving coherence between the structural funds and the ENPI making it possible to include an ENPI component in territorial cooperation programmes of the Cohesion Policy. At the same time, in order to ensure the correct functioning of this mechanism, it is necessary to safeguard a solution enabling the implementation of programmes in the regions located on the external borders of the European Union in the case when negotiations with third countries fail, and to abolish the obligation of applying the Practical Guide to Contract procedures for EU external actions for entities from Member States where legal systems are compliant with standards of the European Union. ERB partners consider it crucial that the Kaliningrad Region of the Russian Federation is given equal opportunity to participate in the South Baltic CBC Programme. Not only will this solution significantly enhance the effectiveness and performance of the South Baltic CBC Programme (facilitating the achievement of its objectives: growth, employment, environmental and intercultural dialogue in the area) but will also contribute to a wider participation of the Russian partners in the integration of the whole Baltic Sea Region,
- exempting at least the first year of the programmes from the automatic de-commitment rule which is of particular importance for territorial cooperation programmes, more complicated and time-consuming to set up and requiring a number of partner regions and countries to agree on management and control systems, etc,
- simplifying methods of reimbursement by introducing standard scale of unit costs and lump-sum payments and common rules for overheads, etc.

ERB also supports the proposal to reinforce the strategic programming by establishing a common strategic framework (CSF) presenting a cohesive vision of implementing the Europe 2020 strategy objectives by all budgetary policies and EU funds. Therefore, ERB supports the idea of multi-fund operational programmes.

ERB considers the proposal of a development and investment partnership contract to the Member States National Reform Programmes (the so-called development contract) useful in setting out the investment priorities, allocating national and EU resources between policy areas and programmes, and agreeing on conditionalities and targets to be achieved. However, we would like to express our concern about possible negative impact such contracts may have on territorial cooperation programmes. This proposal may hamper effective territorial cooperation in programmes involving a number of different Member States. Therefore, ERB proposes that a reinforced strategic framework for the territorial cooperation programmes be linked to the macro-regional strategies, with flexibility for cross-border programmes to meet their specific development potential. ERB stakeholders are convinced that such contracts in the case of the Cohesion Policy should also be concluded with the regions, for example by means of territorial pacts proposed by the Committee of the Regions.

ERB shares worries expressed by a large number of Member States and does not support the proposal of extending the financial sanctions linked to the Stability and Growth Pact to the Cohesion Policy. Such sanctions could have particularly unjustified consequences on beneficiaries of territorial cooperation programmes from the Member States where macro-economic governance is at a good level. Instead of sanctions, we believe, the introduction of positive stimuli for the Cohesion Policy beneficiaries should be considered, e.g. *carte blanche* awarded to the regions which perform well in audits and controls.

#### About Euroregion Baltic:

Euroregion Baltic (ERB) is a politically solid and well anchored cooperation in the south-east of the Baltic Sea Region, consisting of eight regions of Denmark (Bornholm), Lithuania (Klaipeda County), Poland (Pomorskie and Warmińsko-Mazurskie Voivodeships), Russia (Kaliningrad Oblast) and Sweden (Blekinge, Kalmar and Kronoberg Counties). It was the first Euroregion to have formally included a partner from the Russian Federation. Since its establishment in 1998 ERB has been pursuing the goals of improving life conditions for its inhabitants, promoting bonds and contacts among local communities, and providing measures for a more sustainable development within the region. Our cooperation actively involves both local and regional authorities, private and public sectors, and NGOs.

Within the framework of the INTERREG III B BSR financed Seagull Project, in 2005 ERB member regions elaborated the ERB Development Strategy and Joint Development Programme, based on the strategic priorities, including economic and social development, implementation of the EU policies regarding environmental protection and promotion of renewable energy sources, as well as improving the infrastructures in order to provide better access to the Trans European transport networks, all corresponding with the revised Lisbon Strategy and the development of Four Common Spaces between the European Union and Russia.

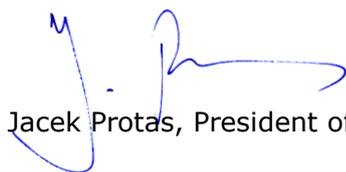
Following the operationalisation of the ERB Development Strategy within the Seagull II project a number of specific tasks of the Joint Development Programme have been put into action in partnerships including representatives of the local and regional authorities, expert institutions, academic organisations, professionals and NGOs. These ERB led partnerships have implemented projects like:

- BALTIC MASTER II (improving maritime safety by integrating local and regional perspectives and focusing on pollution prevention, coastal zone management and on land response capacity to an oil spill at sea); recognised as a flagship project in the Baltic Sea Strategy of the European Union,
- DISKE (intensifying cross-border relations between innovative SMEs and strengthening their economic potential and competitiveness through cooperation of science and technology parks and incubators),
- LED (providing facts for a conversion of public space lighting to versatile LED technology based on a pedestrian perspective, investing in effective measures to reduce the energy consumption and CO2 emissions),
- MOMENT (improving water management and local/regional preparedness for implementation of the EU Water Framework Directive and HELCOM Baltic Sea Action Plan through Water Users Partnerships); proposed to continue as a new horizontal action in the Baltic Sea Strategy of the European Union,
- YC3 (forming a platform for young representatives of the ERB member regions to exchange ideas and proposals to local, regional and national policies concerning e.g. student mobility and exchange programmes, young entrepreneurship, sustainable development, etc).

Majority of these projects have been implemented through the South Baltic CBC Programme. ERB played a crucial role in its establishment initiating a successful dialogue with the national and European partners which resulted in the launch of a new instrument supporting the cooperation in our area. The South Baltic Programme objectives are largely based on the ERB Development Strategy and Joint Development Programme.

These, and many more joint ERB initiatives have clearly contributed to a more sustainable and democratic development of the cooperation area, and helped to strengthen integration among people and institutions. They have been designed and implemented in order to bring added value to each region's own development through operating at the ERB level. Added value has thus constituted a strategic determinant in the ERB cooperation.

As an effective cross-border cooperation structure politically anchored in its member regions, ERB will continue to contribute to the enhanced integration in the European Union and actively participate in activities implementing the objectives of the Cohesion Policy. ERB has taken part in the preparations for the future Cohesion Policy presenting to the European Commission proposals and solutions based on the experience of its member regions, as well as on development challenges jointly identified in the South Baltic area. As a stakeholder of the EU Strategy for the Baltic Sea Region, ERB will go on with its initiatives to the benefit of the growth of the whole region involving the Kaliningrad Region of the Russian Federation, a neighbour to the EU and an important partner of the ERB cooperation. We also believe that the ERB 2020 Agenda, which has been recently adopted as a result of broad political and substantive consultations in the ERB member regions, will constitute significant contribution to the implementation of the future EU Cohesion Policy.



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