

## **Euroregion Baltic Position Paper: South Baltic CBC programme after 2013**

*Adopted by the ERB Executive Board on 27<sup>th</sup> September 2011*

### **Introduction:**

ERB supports the continuation of the South Baltic Cross-Border Cooperation Programme, including all the ERB member regions, thus enabling the whole Warmińsko-Mazurskie region in Poland and Kaliningrad region of the Russian Federation to take full part in the programme implementation.

Established in 1998 ERB is a politically solid and well-anchored cross-border cooperation platform in the south-east of the Baltic Sea region, consisting of nine member organisations from eight regions of Denmark, Lithuania, Poland, Russia and Sweden. ERB is the first euroregion to have formally included a partner from Russia.

ERB was an early supporter of establishing a cross-border cooperation programme that would facilitate the development of the Euroregion and its member regions. ERB actively participated in the work of the South Baltic Programme Core Group which drafted its Operational Programme. Both the ERB and its member regions are actively engaged in the implementation and management of the South Baltic Programme, for example as:

- members of the Steering and Monitoring Committees,
- hosting the Programme Contact Points,
- acting as Lead Beneficiaries, Project Partners and Associated Organisations in a number of projects implemented within the Programme.

The ERB Position Paper is divided into the following headlines:

- Geographical scope
- Thematic focus
- Financial framework
- Management and implementation

## 1. Geographical scope

The inclusion of the whole ERB area in the South Baltic CBC programme will reinforce the strategic programming and effectiveness of the programme, and hereby strengthen the performance and added value of the projects to be implemented.

ERB is a formal and politically anchored cooperation structure with its own joint development strategy and can be considered 'functional cross-border region', with reference to Point 31 of the Territorial Agenda of the European Union 2020, adopted on 19<sup>th</sup> May 2011 at the Informal Meeting of Ministers responsible for Spatial Planning and Territorial Development:

*Territorial integration and cooperation can create a critical mass for development, diminishing economic, social and ecological fragmentation, building mutual trust and social capital. Cross border and transnational functional regions may require proper policy coordination between different countries.*

ERB fully agrees with this requirement and therefore proposes that the current limit of 150 kilometres for maritime borders should be replaced by a criterion reflecting functional geographies such as euroregions operating within active cross border cooperation structures and based on joint development strategies.

Alongside the 27 EU ministers ERB also agrees with the Territorial Agenda 2020 that attention shall be paid to areas on EU's external borders. This corresponds well with the conclusion by the European Commission in the Fifth Cohesion Report (November 2010):

*There is a need of a review and simplification of the current arrangements for cross-border cooperation, including IPA, ENPI and EDF cross-border cooperation at the EU's external borders.*

ERB believes that the inclusion of cross-border programmes of the European Neighbourhood and Partnership Instrument (ENPI) into the EU Cohesion Policy will ensure simplification of the implementation system and binding procedures, and thus will also enable the full participation of our Kaliningrad partners in the future South Baltic programme. We are of the opinion that South Baltic Programme should be further implemented in accordance with the uniform rules resulting from the experience gained during the implementation of European Territorial Cooperation programmes (ERDF), and that this principle should also apply to partners from the Kaliningrad region.

## 2. Thematic focus

Addressing the Europe 2020 Strategy and the EU Strategy for the Baltic Sea Region / the Northern Dimension policy will form the basis for thematic priorities and measures in the South Baltic CBC programme after 2013.

It is crucial that the priorities include a clear territorial dimension, addressing the territorial specificities of the programme area, including regions from the old EU-15 member states and the new EU-12 member states, as well as the Kaliningrad Region of the Russian Federation, as proposed by ERB.

The strategic focus should be on:

- Sustainable enlargement of markets for workers, consumers and small & medium-sized companies (SMEs), including improved accessibility, business cooperation focusing on innovation, and improved mobility of all citizens with a special focus on the labour force and students,
- Sustainable management and use of the marine environment, natural and cultural heritage, as well as people-to-people actions to address cultural and mental borders which are sustained by stereotypes and cultural, language and historic perceptions.

### **3. Financial framework**

ERB finds it reasonable that the allocation of EU funding should be increased significantly in the South Baltic CBC programme in the next programme period. Compared to other cross-border programmes in the Baltic Sea Region, the ERDF allocation to the South Baltic CBC programme 2007-2013 is substantially lower (61 MEUR ERDF as opposed to 102 MEUR ERDF in the Central Baltic CBC programme and 112 MEUR ERDF in the Öresund-Kattegat-Skagerrak programme).

We believe the increase of the future ERDF allocation is well justified by:

- existing economic and social disparities in the programme area, well reflected by disproportionate gross domestic expenditure on R&D as percentage of GDP (in 2009 this was 3,62% in Sweden, 3,02% in Denmark, 2,68% in Germany, 0,84% in Lithuania, 0,68% in Poland);
- challenges related to the implementation of the EU Strategy for the Baltic Sea Region which was adopted after the current allocations had been made, and with no separate funding instrument created to implement the EU Strategy for the Baltic Sea Region;
- territorial challenges, related to proximity and maritime border between the cooperating regions, well reflected by the distance between the furthestmost North and South points in the programme area (more than 600 kilometres) and between the furthestmost East and West points (more than 800 kilometres).

### **4. Management and implementation**

ERB is very satisfied with the management and implementation of the South Baltic CBC programme 2007-2013, especially considering that the programme is a new programme.

As for the implementation structure ERB proposes the Monitoring Committee and the Steering Committee to be merged into one Committee, similarly to several other cross-border programmes. Experiences from the 2007-2013 programme period show a major overlap of delegates of the two committees. In addition, the experiences and competences of the Steering Committee in selection of

projects would be useful for preparation of and decisions on programme manual, application forms and guidelines etc., which in the current programme period is done by the Monitoring Committee.

We are convinced that the existing set-up of the national, regional and euroregional delegations to the Programme bodies should be kept in the next programming period, also after the merging of the Monitoring and the Steering Committees. In addition, we believe it crucial for the programme promotion and implementation to keep the current structure of national and regional contact points.

ERB would like to maintain the current simplified application form for smaller projects, especially related to local community initiatives.

In order to increase the effectiveness and productivity of the future South Baltic Programme, ERB proposes to introduce a self-evaluation procedure of the Programme.

Alongside the European Commission and most of the respondents in the consultation of the fifth Cohesion Report, ERB agrees that the simplification of implementation rules is necessary, e.g. concerning methods of reimbursement, standard scale of unit costs and lump-sum payments, common rules for overheads, etc.

ERB also agrees with the proposal from the European Commission to exempt the first year of the programmes from the automatic de-commitment rule. This is especially relevant for European Territorial Cooperation programmes like the South Baltic CBC programme, being more complicated and time-consuming to set up. We also believe that all territorial cooperation programmes involving EU's neighbours should all be allowed to make use of the N+3 rule.