

An Interreg post 2020 closer to citizens –

Policy Objective 5 of the draft ERDF regulation and its relevance for Interreg B

Article 2 of the European Commission's proposal for the ERDF regulation lays down the specific objectives of the European Regional Development Fund (ERDF) and the Cohesion Fund. Five policy objectives are defined: PO 1 "a smarter Europe", PO 2 "a greener, low-carbon Europe", PO 3 "a more connected Europe by enhancing mobility and regional ICT connectivity", PO 4 "a more social Europe", PO 5 "a Europe closer to citizens". PO 5 states in more detail:

- **What?** The policy objective is "a Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives".
- **How?** By fostering the integrated social, economic and environmental development, cultural heritage and security.
- **Where?** In urban areas and at local level including rural and coastal areas also through community-led local development.

PO 5 "a Europe closer to citizens" hits the heart of Interreg B

According to the European Commission's ETC regulation proposal, "The transnational cooperation [...] component should aim to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's cohesion policy priorities [...] (ETC 2018/0199 (COD), Recital 6).

Interreg was initiated as funding instrument promoting sustainable spatial development by way of transnational cooperation projects.

- 2000-2006: integrated urban and regional development was the dominating topic of Interreg
- 2007-2013: innovation was launched as Priority 1
- 2014-2020: Priority 4 "an integrated urban and regional development" is not a distinct funding objective anymore, thematic priorities (innovation, transport, low carbon) are dominating.

Why are integrated and spatial approaches closer to citizens?

Everybody lives in a city, a municipality or a rural district. Citizens are immediately concerned by topics with local or regional relevance. Spatially relevant projects e.g. sustainable urban development projects, which combine physical, i.e. infrastructural, social and environmental measures, are visible for citizens, can be experienced by them and are therefore close to citizen. In contrast to this, citizens do not get in touch with very sector-specific or research-oriented flagship projects whose partners are mainly situated in capitals and major agglomerations. An increasing thematic concentration of funding entails the risk that the important and positive vicinity to the concerns of citizens is lost.

Especially spatially relevant projects hold an enormous potential to give the EU a positive image that citizens can relate to locally. They bring citizens closer to the EU.

Involving local and regional authorities decisive

Involving local and regional authorities in a project partnership is decisive in order to implement projects with local or regional relevance. In the current funding period, their participation has declined. While during the IV B period 29 per cent of the partners on average were local or regional authorities, it is only 19 per cent in the V B period.

The number of projects in which local or regional authorities were involved, as well, has strongly decreased. While these authorities were involved in 81 per cent of the IV B projects, local and regional authorities do only participate in 57 per cent of the V B projects.¹

In order to bring Interreg closer to citizens, it is necessary to make the programmes with their topics but also with their processes and requirements more attractive again for local and regional authorities.

Involving such stakeholders should not only be ensured in capitals and agglomerations. Local authorities in the surrounding areas of large cities, medium-sized cities in structurally weak areas as well as counties and smaller municipalities should be involved in project partnerships.

Integrated spatial development – what does it mean?

Integrated spatial development means that projects are not limited to a certain sector (transport, environment, economy) but that the sustainable spatial development (of cities or regions) is the focus. An integrated spatial and regional development does not only support economic competitiveness but also supports social and territorial cohesion as well as the protection of natural resources. Based on the goals of the Territorial Agenda (TAEU) 2020, a territorially integrated implementation of projects means that transnational projects

- focus on topics which are of importance for cities and regions (“place-based approach”) and
- involve local, regional or national actors as well as various sectors (administration, science, economy, civil society etc.) in their partner consortium (multi-level and multi-stakeholder approach).

Integrated = unfocused?

Integrated projects address more than one sector. This does not mean that a project indiscriminately covers different topics. Only those topics are covered that are relevant for reaching a project goal.

Example: The goal of the AlInnoCT² project, which is funded under the Alpine Space programme, is to improve the efficiency and competitiveness of the combined freight transport thus supporting the environmental protection of the Alpine region. The planned optimisations of the combined transport benefit the Alpine environment and residents in the same way as project actors: logistics service providers profit from improved processes and an easier access to the combined transport. Waggon and trailer manufacturers gain an insight into technical innovations. Politicians have a better decision-making basis when it comes to defining future framework conditions for combined traffic while taking environmental matters into account.

¹ Interreg IV B (468 projects) and V B (415 projects) databases of the BBSR as of February 2019.

² <https://www.alpine-space.eu/projects/alpinnocct/en/home>

Current Interreg projects are showing diverse levels of spatial relevance.

Features of primarily spatially relevant projects:

The starting point are cities or regions with similar challenges (including urban districts, rural municipalities etc.). Actors are local and regional bodies and authorities, local organisations, NGOs, associations, the civil society but also companies and scientists. They work integratively: based on the challenge relevant sectors (transport, environment, economy) are involved and solutions worked out advancing a region both economically and sustainably. Promoting research, innovation and competitiveness of SMEs are important elements of economic support and thus of regional development. However, these topics should not be promoted independently of regional strategies and actors.

Features of primarily sector-oriented projects:

The starting point is a specific sector. Actors are scientists, companies, associations and, in some cases, public bodies active in the context of a relevant topic. Their work is targeted. Results include among others the increased market maturity of technologies, services, products as well as improved work routines. A region/city and its inhabitants are not in the project's focus, authorities are mostly not involved, impacts on political processes and roll-out are often restricted.

<p>Example for a primarily spatially relevant Interreg project (innovation priority)</p> <p>The BSR Stars S3³ project focuses on the interdisciplinary S3 field of bio-/circular economy, the digital economy being used as a binding element in the context of the Smart Specialisation Strategies of the participating regions. During the project, infrastructures for innovation support are developed, e.g. test and demonstration facilities and new instruments for innovation management to use mutually complementing competences across borders. The project involves five regional project partners cooperating on analysing, developing and testing new instruments and methods for the regional and transnational implementation of their S3. Another 30 regional and national authorities for will be involved learning and policy development activities.</p>	<p>Example for a primarily sector-oriented Interreg project (innovation priority)</p> <p>The number of fractures and related health problems is expected to increase in future due to an ageing society. The Baltic Fracture Competence Centre (BFCC)⁴ project establishes local registries and joins them within a transnational registry platform. Hospitals and enterprises will use the registry in order to identify the need and innovation potential in the field of fracture management. Innovations in these sectors must decrease the total costs of care or considerably improve the quality of care at reasonable costs and find new solutions for medical challenges. The demand for innovations and investments increases.</p>
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³ <https://projects.interreg-baltic.eu/projects/bsr-stars-s3-33.html>

⁴ <https://projects.interreg-baltic.eu/projects/bfcc-23.html>

Why financing local activities with Interreg?

Interreg is an implementation programme, not a research programme. Projects are realised locally, that means Interreg projects always have a local or regional component.

At the same time, the transnationality of an Interreg project must be in the centre of attention. Local pilot projects, for which Interreg merely acts as a funding source, are not eligible. Local demonstration projects, strategies or services, that are carried out in transnational cooperation between local/regional/if necessary national partners of various countries, involving enterprises, administrations, NGOs and research institutions, and that imply positive effects for the local citizens, are however welcome.

Policy Objective 5 as the only priority

On principle, all topics promoting the development of a city or region can be supported under Policy Objective 5. Digitalisation, reduction of CO2 emissions, sustainable mobility and accessibility are topics which are of utmost importance for the forward-looking development of municipalities and regions.

According to the ETC regulation proposal (ETC 2018/0199 (COD), Recital 6), the aim of Interreg B (transnational cooperation) is to strengthen cooperation by means of actions conducive to an integrated territorial development. The future transnational programmes should focus on PO 5 “a Europe closer to citizens” in order to put the development of cities and regions into the foreground. This includes the development of intervention logics and indicators making improvements measurable and visible to the inhabitants of our cities and regions. This can hardly be achieved by thematic priorities as they currently exist (innovation, transport, low carbon).

This is why the importance of local and regional project partners as well as spatial aspects in project applications, selection criteria and indicators have faded into the background in the last programming period - to different degrees depending on the programme area. Important results relevant to citizens in cities and regions were not sufficiently captured. This trend has to be reversed.

Examples for spatially relevant Interreg projects on various topics

CAN⁵ (North-West Europe): Buildings in the EU cause the majority of the energy consumption and of the CO2 emissions. They must be refurbished energy-efficiently to keep to the European targets to reduce CO2 emissions. Regions in North-West Europe face this challenge with individual concepts. In distressed urban neighbourhoods with a great need for refurbishment, CAN implements transnationally developed initiatives breaking with the traditional use of energy and supports the activation and cooperation of residents.

SubNodes⁶ (Central Europe): Extending the Trans-European Transport Network creates important nodes in the rail network. The transport connection of surrounding areas to these main nodes is often insufficient though. Many regions have only limited access to the high-speed railway networks. SubNodes strengthens the public transport of medium-sized cities in the surrounding areas of main nodes with new strategies and develops them into secondary transport infrastructure hubs, i.e. subnodes.

⁵ <http://www.nweurope.eu/projects/project-search/climate-active-neighbourhoods-can/>

⁶ <https://www.interreg-central.eu/Content.Node/subnodes.html>

SEMPRE⁷ (Baltic Sea Region): Rural regions in the Baltic Sea Region are often sparsely populated, have a lack of social infrastructure and are badly connected to the local public transport. Especially for long-term unemployed persons, older people or migrants the risk of social exclusion therefore increases. Aim of the SEMPRE (Social Empowerment in Rural Areas) project is to counteract this trend. Project partners therefore develop transport and nursing services in cooperation with the target group.

Conclusion

The objective “a Europe closer to citizens” re-establishes the territorial dimension within the policy objectives of European cohesion policy. Policy Objective 5 enables to refocus Interreg B-programmes and -projects on the sustainable development of cities and regions in accordance to the ETC regulation proposal and thus to bring Interreg closer to citizens. That means that the improvements that Interreg projects achieve for the inhabitants of our cities and regions can be better measured and made more visible. The future transnational programmes should focus on PO 5 “a Europe closer to citizens” in order to put the development of cities and regions into the foreground.

⁷ <http://www.sempre-project.eu/>