

Non Paper

The added value of transnational cooperation for regions that are more resilient

Impulses for the programming of Interreg B 2021-2027

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[Disclaimer: This non paper was prepared by the “Interreg B Working Group” in Germany, namely the Chairs of the German sub-committees of the six programme areas with German participation under the chairmanship of the Federal Ministry of the Interior, Building and Community (BMI). The chairs of the sub-committees are representatives of the federal state level.]

In the context of the ongoing preparations for the next funding period and in view of the manifold effects of the Covid-19 pandemic, the aim of this paper is to show how Interreg B Programmes contribute to the overcoming of crises and other unforeseeable events or developments and, respectively, how their topics and mechanisms can be used even more efficiently in the future.

The non-paper therefore lists specific features of the Interreg B programmes which are particularly suitable for responding to crises (as well as other unforeseeable events or developments) and creating more resilient regions¹. This is followed by proposals and suggestions for answers to the questions which transnational topics can contribute to strengthening the resilience of the regions, which project types are particularly suitable to achieve this goal and which programme structures are needed to respond to new emerging important developments, crises and topics at short notice. The aim of this internal non-paper is that the members of the “Interreg B Working Group” transfer the results of the internal discussion into the programming process of the respective Programmes. Therefore, the proposals and suggestions in this paper are on a general level in order to allow for adaptation to the specific requirements of the individual Programmes.

Germany participates in six Interreg B programmes². Even though there are differences among the individual cooperation areas, the objective of a balanced territorial development of European regions is the unifying element.

How high the risk of a hampered sustainable development and economic, ecologic, social and territorial cohesion in the European Union, triggered by the occurrence of unforeseen developments, is, shows the current crisis caused by the Covid-19 pandemic.³ Moreover, the

¹ We define „resilience“ as structures to make systems resistant towards crises and shocks, as well as the ability to react and adapt to changes to mitigate negative consequences in the future.

² North Sea, Baltic Sea, North West Europe, Central Europe, Danube Region and Alpine Space

³ Cf. for instance Joint Research Centre (July 2020): The Territorial Economic Impact of Covid-19; OECD (April 2020): Coronavirus (COVID-19): From pandemic to recovery: local employment and

Covid-19-crisis is not an isolated case, since other deep crises have occurred in the past⁴ and/or are ongoing, like the climate crisis.

As the economic and social impact of the Covid-19 crisis varies in intensity geographically, territorial cohesion must continue to be supported and promoted in the EU as a whole as well as in the individual macro-regions and programme areas. Furthermore, the Covid-19 crisis displays that regions need to become more resilient to other future crises. The same applies to the necessity to develop “functional regions” that are more resilient.

Thus, the proposed measures of the European Union clearly show: the economic recovery combined with the transition to a green and digital and more resilient Europe will be the dominating focus especially for the upcoming years, but of course also for the whole funding period 2021-2027. However, the experiences of the past months have also shown how fragile Europe's cohesion is and that in times of crisis, working across the national borders is still not a matter of course, as a lot of national borders within Europe were closed in the beginning of the Covid-19 crisis.

Overcoming the crisis and the transition to more resilient regions can be supported transnational cooperation Programmes due to their specific objectives and instruments. In the on-going programming process there is a momentum to reflect on the current experiences with the Covid-19 crisis and implement necessary changes – According to the motto “**No Business as usual**”!

1. Specific features and characteristics of Interreg B Programmes which contribute to overcoming the crisis and creating regions that are more resilient

• Transnational cooperation in functional regions

The actual crisis shows once again the necessity for finding European solutions, since the challenges do not stop at national borders. Interreg B projects function as a testbed and nucleus in this regard, as cooperation within the framework of transnational cooperation always takes place in functional regions, which are not identical with the existing administrative boundaries. In most cases, the functional relations (such as economic and traffic flows, settlement patterns or supraregional labour markets) have been severely hit by the crisis, urging the need to restore and strengthen the cooperation in the programme areas.

economic development; Spatial Foresight (May 2020): Understanding the territorially diverse implications of Covid-19 policy responses

⁴ For example the 2008 financial crisis or the 2015 migration crisis.

- **Territorial approach based on strategies**

The focus of transnational cooperation on territorial needs based on strategic frameworks, such as macro regional strategies and other regional development strategies, helps to strengthen *regional* resilience and to support territorial, social and economic integration in the programme areas.

- **Multi-Level-Governance (horizontally and vertically)**

The application of multi-level-governance, which is a characteristic of most Interreg B projects, also increases the resilience of regions. The interlocking between academia, public authorities and the economic sector is decisive for deep-rooted cooperation structures and for shaping decision making processes for regions. The multi-level-governance approach is also evident in the implementation structures of the programmes themselves.

- **Integrated solutions**

Transnational cooperation combines characteristics that are well suited for developing solutions for overcoming the crises and creating regions that are more resilient. The above mentioned multi-level-governance and quadruple-helix approach, combined with a focus on innovation and territorial dimension, help to develop integrated solutions targeting the economic, ecologic, social and territorial integration which, when anchored in the region, contribute to stronger crisis resilience. This is particular true not only for the current crisis but also in the transition and transformation towards a digital and greener, and thus more resilient Europe. Interreg B projects can develop solutions for common problems by bringing together different stakeholders from different sectors.

- **Supporting the innovation capacities of economy, society and public administration**

When talking about innovation capacities, the link of regional innovation systems with their international counterparts becomes more and more important. A decrease in innovation capacity has a negative impact also on the regional development in Europe. As some regions being more affected by the crisis than others an integrated knowledge pooling between different regions and stakeholders helps to further strengthen the innovation capacity in all regions and support the transformation towards a smart, green and just economy and society.

By specifically focussing on boosting the skill levels, the innovation (and institutional) capacities in all regions can be further strengthened. This also gives the opportunity to address the social dimension of the crisis in a cross cutting manner as well as to internationalise administrative governance at local, regional and national level.

- **Creating synergies with other funding instruments**

By building on previous activities and focussing on local and regional needs, which might be triggered by the crisis, and by seeking synergies with other funding instruments, transnational projects are able to function as a catalyst, pave the way to larger investments and increase the economic, ecologic, social and territorial cohesion in programme areas. This aspect should be further emphasized in the upcoming funding period.

2. Requirements for future transnational cooperation Programmes to manage the impacts of the crisis more effectively and to create regions that are more resilient

- **Resilience: a cross-cutting issue**

In the current programming process, we see the need to integrate possible responses to the impacts of the crisis and solutions for more resilient regions as a cross-cutting issue in all selected policy objectives. Thus, an integrated approach should be considered in the setting of priorities and in the project selection procedure.

- **Increased thematic flexibility**

It was often difficult for transnational cooperation programmes to react to emerging trends or crises due to limited flexibility provided by the Cooperation Programmes as experiences in the past have shown. More flexibility in the future Cooperation Programmes should provide the “room for manoeuvre” concerning impacts of the Covid-19-crisis and/or other developments not yet known with the aim of supporting the resilience of (functional) regions in the future. In addition to the static system of 7-years-fixed priorities predefined by the regulations, future programmes could work with “thematic placeholders” (such as umbrella terms) which would allow to react to future impacts/developments not yet known. A catalogue of possible future topics could be part of the programme addressed by annual thematic calls focussing on the most relevant topics.

- **Stronger involvement of regional and local actors**

It needs an involvement of regional and local actors (regional development agencies, municipalities etc.) in the projects in all policy and specific objectives in order to strengthen the territorial impact and the local and regional anchoring of Interreg B projects. Therefore, the participation of these actors should be especially encouraged, e. g. by means of selection criteria or dedicated provision of information workshops.

- **Re-thinking of topics and emphasizing capitalization**

As the overall topics to be addressed by the Programmes might remain (more or less) the same in the upcoming period, we see the need to “re-think” the topics. This could be done by encouraging integrated and closer-to-citizen approaches (e.g. linking various sectoral topics, approaching them from a different angle etc.) and by putting an even stronger

emphasis on capitalization already at the beginning of funding period, in order to “make the next step” towards regions that are more resilient. This requires – to some extent – also new standards or answers in relation to the question what to expect from good projects and also a respective selection process.

- **New project types and structures**

The future Programmes should introduce new, more flexible project structures providing the necessary framework in order to react to the above mentioned aspects. A modular approach with different modules to be combined depending on strategy, main objectives and expected results of the project (as the Interreg MED Programme successfully applies) would allow for a more targeted approach. For example projects specifically focussing on capitalization (up-down- as well as mainstreaming) or projects, especially focussing on the involvement of regional and local actors can be envisaged, like “fast action”-projects and small projects with short application procedures, short runtimes, limited partner structures/budgets and less administrative efforts.

- **Less administrative Programme and project management**

The increased flexibility in project implementation triggered by the crisis, such as easier project extensions, changes in content, new workflows etc., should be maintained also in the future. The scope for less bureaucracy in programme and project management should be constantly reviewed and possible simplifications implemented. This also includes more interaction and harmonization between the authorities of Interreg B in the future programmes.

Annex – Summary

The following tables summarize the paper as regards specific features and characteristics of Interreg B Programmes and their future requirement to optimize their ability to react to crises and unforeseen developments.

Specific features and characteristics of Interreg B Programmes which contribute to overcoming the crisis and creating regions that are more resilient	Assets, impacts and benefits to encounter crises and unforeseen developments
Transnational cooperation in functional regions	Transnational cooperation is an asset in coping with crises and unforeseen developments because it provides a more stable back-up network.
Territorial approach based on strategies	Contribution to strengthening regional resilience
Multi-Level-Governance (horizontally and vertically)	Contribution to deep-rooted cooperation structures
Integrated Solutions	An economic, ecologic, social and territorial integration anchored in the region contributes to stronger crisis resilience.
Supporting the innovation capacities of economy, society and public administration	Integrated knowledge pooling between different regions and stakeholders increases innovation capacities and thus crisis resilience.
Creating synergies with other funding instruments	Transnational projects as a catalyst for concerted larger investments of mainstream programmes provide a tighter and more resilient net.

Table 1: Specific features and characteristics of Interreg B Programmes, which contribute to overcoming the crisis and creating regions that are more resilient (see Chapter 1)

Requirements for future transnational cooperation Programmes to manage the impacts of the crisis more effectively and to create regions that are more resilient	Assets, impacts and benefits to encounter crises and unforeseen developments
Resilience: a cross-cutting issue	More integrated programmes and projects
Increased thematic flexibility	Provision of thematic "room for manoeuvre" in the programmes to react to unforeseen events.
Stronger involvement of regional and local actors	Strengthen the territorial impact and the local and regional anchoring of Interreg B projects.
Re-thinking of topics and emphasizing capitalization	Directing the themes of programmes and projects with a focus on strengthening the regions.
New project types and structures	Greater flexibility and tailored objectives of projects, detachment from the classic project cycle.
Less administrative Programme and project management	Maintain enabled flexibility in project management; allow dynamic implementation structures.

Table 2: Requirements for future transnational cooperation Programmes to manage the impacts of the crisis more effectively and to create regions that are more resilient (see Chapter 2)