

**THE EUROPEAN TERRITORIAL COOPERATION.
ANALYSIS OF RESULTS IN THE SEVEN-YEAR
PROGRAMMING PERIOD 2007-2013 AND THE NEXT NEW
PROGRAMMING STRATEGIES.**

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ABSTRACT: *The European Territorial Cooperation (ETC) is one of the two goals of cohesion policy. The overarching objective of European Territorial Cooperation (ETC) is to promote a harmonious economic, social and territorial development of the Union as a whole. Through cooperation, people in different regions can work together, learn from each other and help transform their regions. Since 2007, Territorial Cooperation is an objective of European cohesion policy supported by European Structural Funds (ERDF). In this paper are described the results of ETC programming period 2007-2013 in Italy and the principal objectives of the new European Strategy. Compared to the 2007-2013 programming period, the European Territorial Cooperation scheduled for seven years 2014-2020 has got a strengthened role, which confirmed the nature of the overall aim of Fund programming, while maintaining its financial dimension of the intended resources, even in the presence of a framework for the reduction of resources allocated to cohesion policy. The ETC has been governed by a specific Regulation, which underlined, therefore, the special features of intervention.*

KEY WORDS: European Territorial Cooperation, Programming period, Cohesion policy.

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1. THE EUROPEAN TERRITORIAL COOPERATION (ETC)

The European Territorial Cooperation (ETC) is inserted in the large panorama of the measures planned by the European Union with the aim of strengthening economic and social cohesion within its area and reducing disparities between the levels of development among the various regions. The ETC is, then, a form of European Union intervention which endows collaborative projects funding and joint investment between Public entities (and, in some cases, private) in different areas of intervention, from different countries.

In 1989 the Commission of the European Community has supported for the first time 14 cross-border pilot projects with an allocation of 21 million ECU.

On August 30th 1990, the Commission itself fixed the directions of the Community Initiative intended for border areas (INTERREG).

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INTERREG I was implemented in 31 highly differentiated Operational Programs (OPs) according to geographical extension, total volume of funding, identified priorities, protagonists and social partners involved at regional and local level and cross-border features.

The most substantial contribution ever awarded to a Community Initiative has been assigned in 2.6 billion ECU, earmarked for the implementation of 59 Ops, in the field of cross-border cooperation under INTERREG-IIA for the years 1994-1999.

Since 1994, cross-border collaboration in external Central and Eastern European border regions has also been supported by the PHARE CBC (Poland and Hungary: Assistance for Restructuring Their Economies - Cross Border Countries).

As for the states of the former Soviet Union, it was recently also prepared the TACIS-CBC (Technical Assistance for the Commonwealth of Independent States).

The INTERREG III initiative (2000-2006 program) supports cross-border cooperation, interregional and transnational cooperation.

INTERREG III consist of three sections:

- section A dedicated to cross-border cooperation, aimed at the promotion of integrated regional development between border regions;
- section B devoted to transnational cooperation, namely the contribution to harmonious territorial integration in the European Union;
- section C dedicated to interregional cooperation, for the dissemination of best policies and techniques of interregional economic development.

The INTERREG III programs involve not institutional subjects and also civil society: social parties, economic operators, non-governmental organizations, academics etc.

Since 2007, the Territorial Cooperation is an objective of European cohesion policy supported by European Structural Funds.

ETC projects are financed by the European Regional Development Fund (ERDF) through the Operational Programs managed by unique Authority, mainly public, from the different Member States.

ETC Operational Programs refer to specific geographic areas and shall be jointly developed by representatives of the partner states.

The financed operations (projects), are selected through the issuing of supranational tenders and by evaluation and approval process according to program bodies organs rules¹.

2 . ITALY AND THE TERRITORIAL COOPERATION PROGRAMS DURING THE 2007-2013 SEPTENNATE

During the 2007-2013 program, Italy has participated in 14 of the Territorial Cooperation Programs, 7 of which were Cross-Border Cooperation, 2 Cross-Border Cooperation co-financed by the ERDF and ENPI (European Neighborhood and Partnership

¹ http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020.it.cfm

Instrument), 1 Cross-border co-financed by the ERDF and IPA (Instrument for Pre-Accession Assistance) and 4 of Transnational Cooperation.

To these programs, 4 Interregional Cooperation Programs must be added, which were attended by all Member States without distinction.

The National Strategy Report 2009 conducted an analysis on the contribution of the Operational Programs (OPs) of the European Territorial Cooperation (ETC) to the priorities of the NSF, made on the basis of the indicative allocation, by category of expenditure, of the resources allocated to such OP. From here it arose that the programs had, in general, contributed to all the priorities of the NSF, however, by focusing resources on three priorities: Priority 2-Research and innovation, 3-Energy and environment and 5-natural and cultural Resources.

Some OPs were subject to minor interventions reprogramming which however didn't substantially alter the original framework: the upgrade analysis dated June 30th 2012 upon overview report carried out in 2009 reiterated the concentration of resources on the three priorities listed above, to which 68% of the funds were intended: Priority 2-Research and innovation (31.9%), 3-Energy and environment (19.5%) and 5-natural and cultural resources (16.3%). Reprogramming only involved the transnational programs and generated displacements of the order of 1-2%, which increased compared to the situation observed in 2009, the contribution to the Priority 3-Energy and Environment and 8-competitiveness and attractiveness of cities and urban systems, and reduced the contribution to the Priority 1- Improvement and development of human resources, to Priority 5-natural and cultural resources and Priorities 10-Governance, institutional capacity and competitive and efficient markets.

The reprogramming has not, however, generated significant effects with regard to the distribution of planned resources compared to the priority themes and categories of expenditure considered by the Regulations.

A significant concentration of resources on issues related to environment and risk prevention, transport and tourism, with some specializations notable in the case of individual programs has been detected. An overall analysis of the Program financial progress dated as of 30.06.2012 and the consequent contribution thereof to the priorities of the NSRF has been made. The data reflecting the overall advancement of ETC programs are shown in (*Table 1*).

The European Territorial Cooperation programs have involved around 70% of the programmed resources; however, payments accounted for about 20% of the planned resources. In detail: - the resources committed by all the internal Transboundary Programs amounted to 77.68% of the planned resources and the payments were equal

to 25.04% of the programmed resources; - The proportion of resources committed by external IPA and ENPI Cross-border programs has been far lower, having been equal to 33.89%, while the percentage of payments amounted to only 5.33% of the planned resources (*Table 1*). This is derived from the greater complexity of such programs which, in turn, created problems and delays in the start-up phase; - the financial progress of the Transnational Program was greater: the earmarked resources totaled 81,66% of the planned resources, with peaks of 99% (OP Central Europe) and 96% (OP Alpine Space); similarly, the percentage of payments was higher and amounted to 27.37% of the planned resources. The Italian Management Authority (MA) carried out more detailed financial analysis of cross-border programs advancement, with reference to the specific objectives

of the NSF. It was confirmed that the contribution of these programs mainly regarded Priority 5- natural and cultural resources, Priority 2-Research and Innovation and Priority 3-Energy and environment.

In particular, it was reported: - with reference to Priority 2, the progress of the initiatives included the creation of networks between universities, research centers and technology activities and the world of production (Specific objective 2.1.1) and of interventions aimed at increasing the propensity of companies to invest in research and innovation (specific objective 2.1.3); - With regard to Priority 3, the advance of much of the action started in business for the quality and efficiency of water services, the strengthening of soil conservation and the prevention of natural risks (Specific objective 3.2.1); - With regard to Priority 5, it has been highlighted the substantial gains of interventions for strengthening the conservation capacity and the natural and cultural resources through regional cooperation (Specific objective 5.1.3), followed by the interventions for the enhancement and protection of biodiversity (specific objective 5.1.1) and by the actions of valorization of goods and cultural activities (specific objective 5.1.2). The analysis of financial progress of these programs was also made with reference to the priorities and spending categories specified by the Regulation 1828/2006.²

In the implementation, it was noted a greater advancement of the interventions that have covered the priority theme “Improving access to employment” (payments amounted to about 41% of the planned resources for this priority theme), (40%) for priority themes Culture, environmental protection, research and development and tourism (about 30%).

However, in line with the allocated resources, an analysis on the rate of progress of total payments regarding each of the priority themes confirmed the prevalence of actions taken, referred to the issue of environment protection priorities and risk prevention (25.5%). In Annex VI to the NSRF the aggregate values have been reported for the key indicators relevant for the European Territorial Cooperation (indicators no. 42-56) for programs with Italian MAs (internal transboundary OP except for Greece-Italy OP). For each of the key indicators data were provided for individual annuities and those cumulative 2007-2011 dated as 30th June 2012. These values were divided with respect to selected projects and to those relating to completed projects.

It was not possible to calculate the target value 2007-2015 because of the different measurement methods and interpretation of this value taken by individual programs. The (*Table 1*) shows the progress data for the key indicators for each of the above programs, with respect to the reference target value indicated by the single OP.

² https://eeas.europa.eu/enp/pdf/financing/the/enp/cbc_2014-2020_programming_document_en.pdf

Programmi	Programmato 2007/2013 (comunitario + cofinanziamento nazionale ¹) (Milioni di euro) (a)	Impegni dei progetti (importi approvati da contratto ²) (Milioni di euro) (d)	Pagamenti dei progetti (spesa certificata comunitaria + quota nazionale ³) (Milioni di euro) (e)	Impegni/Program- mato (%) (d/a)	Pagamenti/Pro- grammato (%) (e/a)
COOPERAZIONE TRANSFRONTALIERA					
TRANSFRONTALIERA FRONTIERE INTERNE ADG ITALIANE					
2007CB163P0034 - ALCOTRA	199,58	178,76	77,53	89,57%	38,85%
2007CB163P0033 PO Italia-Francia frontiera marittima	161,98	128,20	46,39	79,15%	28,64%
2007CB163P0035 Italia - Svizzera*	91,75	82,44	30,45	89,85%	33,19%
2007CB163P0052 INTERREG IV ITALIA-AUSTRIA	80,10	79,21	25,05	98,89%	31,27%
2007CB163P0037 Po Italia Malta	35,47	16,04	2,42	45,22%	6,82%
2007CB163P0036 Italia-Slovenia 2007-2013	136,71	86,12	12,01	62,99%	8,78%
TOTALE TRANSFRONTALIERA INTERNA	705,59	570,77	193,85	80,89%	27,47%
TRANSFRONTALIERA FRONTIERE INTERNE ADG NON ITALIANA					
2007 CB 163P0060 Grecia-Italia	118,61	69,45	12,57	58,55%	10,60%
TOTALE TRANSFRONTALIERA COMPRESA GRECIA-ITALIA	824,20	640,22	206,42	77,68%	25,04%
TRANSFRONTALIERA ESTERNA ENPI-CBC					
Italia-Tunisia	27,46	10,41	4,36	37,92%	15,87%
Bacino del Mediterraneo	220,30	64,90	14,30	29,46%	6,49%
Totale ENPI-CBC	247,76	75,31	18,66	30,40%	7,53%
TRANSFRONTALIERA ESTERNA IPA - CBC					
2007CB16IPO001 IPA Adriatico CBC	288,96	106,59	9,93	36,89%	3,44%
TOTALE TRANSFRONTALIERA ESTERNA	536,71	181,91	28,59	33,89%	5,33%
TOTALE TRANSFRONTALIERA	1.360,91	822,12	235,01	60,41%	17,27%
COOPERAZIONE TRANSNAZIONALE					
2007CB163P0014 Alpine Space	97,79	94,36	26,13	96,49%	26,72%
2007CB163P0061 Central Europe	246,01	244,51	83,88	99,39%	34,10%
2007CB163P0069 South-East Europe	206,69	122,95	45,84	59,49%	22,18%
2007CB163P0045 MED 2007-2013	193,19	145,44	47,68	75,28%	24,68%
TOTALE COOPERAZIONE TRANSNAZIONALE	743,69	607,26	203,53	81,66%	27,37%
TOTALE COOPERAZIONE TERRITORIALE⁴	2.104,60	1.429,39	438,54	67,92%	20,84%

¹ Per quanto riguarda i PO transnazionali si segnala che per importo programmato è stato considerata la sola quota FESR

² Per quanto riguarda i PO transnazionali si segnala che l'importo degli impegni è stato "depurato" della quota nazionale

³ Per quanto riguarda i PO transnazionali si segnala che è stata considerata solo la quota di pagamenti FESR

⁴ Non sono stati considerati i PO Interregionali in quanto non sono disponibili dati omogenei sull'avanzamento finanziario.

Fonte: Dati forniti dalle AdG dei PO Transfrontalieri e dai NCP per i PO Transnazionali

¹ As per the transnational OPs, only the ERDF share has been considered

² As per the transnational OPs, the domestic share has been released from the committed quota

³ As per the transnational OPs, only the ERDF payments have been considered

⁴ INTERREG OPs have not been considered due the unavailability of homogenous data on the financial status

Source: Cross-border OP MA and Transnational OP NCP

Table 1. Implementation of the Program Objective Territorial Cooperation - Financial Status as at 30 June 2012.

3. THE OBJECTIVES OF EUROPEAN TERRITORIAL COOPERATION IN THE SEVEN TERM 2014-2020: EXPECTED GENERAL IMPACTS, CHARACTER AND FINANCIAL ASPECTS.

Compared to the 2007-2013 programming period, the European Territorial Cooperation scheduled for seven years 2014-2020 has got a strengthened role, which confirmed the nature of the overall aim of Fund programming, while maintaining its

financial dimension of the intended resources, even in the presence of a framework for the reduction of resources allocated to cohesion policy. The ETC has been governed by a *specific Regulation*, which underlined, therefore, the special features of intervention.

The Commission Regulation (EU) No 1299/2013 of *the European Parliament and of the Council of 17th December 2013* laying down specific provisions for the support from the European Regional Development Fund to the European Territorial Cooperation, has established the scope of the ERDF on the European Territorial Cooperation (ETC). Relatively objective “European Territorial Cooperation”, the ERDF shall support the following components:

1) cross-border cooperation between adjacent regions to promote integrated regional development between bordering regions with maritime and land borders in two or more Member States or between neighboring regions in at least one Member State and a third country on the Union’s external borders other than those covered by programs under the external financing instruments to the Union;

2) transnational cooperation over larger transnational territories, involving national partners, regional and local, and also includes the maritime cross-border cooperation in cases not covered by cross-border cooperation, with a view to achieving a higher level of territorial integration of these territories ;

3) interregional cooperation to reinforce the effectiveness of cohesion policy by promoting:

- the exchange of experiences focused on thematic objectives among partners throughout the Union, also in accordance to regional development in art. 174 TFEU, on the identification and dissemination of good practices, in view of their transfer and mainly operational programs under the “Investing for Growth and Employment”, as well as, where appropriate, in co-operation programs;
- the exchange of experience concerning identification, transfer and dissemination of good practices according to sustainable urban development, including the links between urban and rural areas;
- the exchange of experience concerning the identification, transfer and dissemination of good practices and innovative approaches according to the implementation of programs and cooperation projects and the use of EGTC (European Grouping of Territorial Cooperation) ;
- the analysis of development trends according to territorial cohesion objectives, including the spatial aspects of economic and social cohesion and a harmonious development of the Union territory through studies, data collection and other measures.

The ETC, therefore, encourages the territories of different Member States to work together through the implementation of joint projects, exchange of experiences and the building of networks. It enables funding of collaborative projects and joint investment between Public entities and in some cases, private entities in geographical areas of individual programs.

The ETC projects are:

- co-financed by the European Regional Development Fund (ERDF) (+ IPA) in the framework of programs managed by unique authorities of different Member States

- selected through supranational tenders/calls and an evaluation process and approval by the program authorities
- provide a Lead partner and a partner team

The expected Global impacts for 2014-2020 programming ETC are, in summary, the following:

- Contribute to achieving the Europe 2020 objectives
- Strengthening the relations of the EU countries and IPA
- To promote regional development and investment
- Improve the management capacity of programs and projects
- Networking and participation in institutional networks
- Contribute to the development of European macro-regional strategy
- Adriatic-Ionian (EUSAIR), Alpine (EUSALP)

The elements that characterize the ETC in the current programming are: owning a separated Regulation, the Concentration of programs on up to 4 thematic objectives, simplified management of programs, the creation of a simplified European Groupings of Territorial Cooperation (EGTC) E-cohesion (mandatory use of computerized systems for the management of the programs), and new programs and new geographies to intersect the European Regional Macro Strategies

Economic resources for the “European Territorial Cooperation” in the 2014-2020 programming period amounted to 2.75% of the total resources available for budgetary commitments from the ERDF, the ESF and the Cohesion Fund for the programming period mentioned and set out in a total of € 8,948,259,330 (we are witnessing increase of 30% of the budget - 7.75-8.94 billions Euro-), so to be allocated to the following:

- 74.05% for cross-border cooperation (6.626 billion euro)
- 20.36% for transnational cooperation (1.821 billion euro)
- 5.59% for interregional cooperation (0.500 billion euro)

In implementing ETC Objective for the 2014-2020 programming period, Italy will have resources for a total amount *to 1,136,800,000 euro*. The 2014-2020 allocation leads to an increase in real terms (2011 prices) of available resources, with respect to the allocation from 2007 to 2013 (approximately 16% of total resources ETC)³. Resources are available for participation in the fifteen cross-border and transnational cooperation programs, of which:

- *eight cross-border (internal EU cooperation):* Italy-Maritime France, Italy Alcotra-France, Italy-Switzerland, Italy-Austria, Slovenia-Italy, Italy-Croatia, Greece-Italy, Italy-Malta
- *three external cross-border cooperation programs:* Italy-Albania-Montenegro, Tunisia and Italian-Mediterranean Sea Basin
- *four transnational cooperation:* Central Europe, Med, Alpine Space, Adrion

³ http://www.agenziacoessione.gov.it/it/politiche_e_attivita/programmazione_2014_-2020/Cooperazione_territoriale_europea/Cooperazione_territoriale_europea.html

Italy will also participate in four interregional cooperation programs involving all 28 EU Member States: Urbact III, Interreg Europe, Interact, Espon, which have a total for 500 million euro.

Regulations governing the 2014-2020 programming SIE Funds provide that ETC programs are not part of the Partnership Agreement; however, the regulations require that the Partnership Agreement explicit consistency and complementarity with ETC programs, highlighting the European added value and individuate both the main priority areas for territorial cooperation activities by taking into account the macro-regional strategies and sea basin relevance, and the coordination mechanisms provided for ensuring coherence and integration between ETC programs and programs included in the Agreement of partnership.

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