Implementation of macro-regional strategies

SUMMARY

While each macro-regional strategy is unique in terms of the countries it brings together and the scope of its policies, they all share a common aim: to ensure a coordinated approach to issues that are best tackled together. Building on the success of the pioneering 2009 European Union strategy for the Baltic Sea region, this form of cooperation has since become firmly embedded in the EU's institutional framework, with four strategies now in place, covering 19 Member States and 10 non-EU countries.

Every two years, the European Commission publishes a report to assess the implementation of the macro-regional strategies, most recently in 2020. With the views of stakeholders and other players helping to complete the picture, it is possible to identify a number of challenges common to all macro-regional strategies in areas such as governance, funding, political commitment and the need to be more results oriented. This has helped focus discussions on the future role of macro-regional strategies within the post-2020 cohesion policy framework.

Introducing a number of measures to strengthen macro-regional cooperation and increase alignment between funding and macro-regional strategy priorities, the post-2020 cohesion policy architecture has the potential to establish closer links between Interreg programmes and macro-regional strategies and to facilitate the embedding process, whose importance has been brought into even sharper focus in view of the reduction in the Interreg budget for 2021-2027. Yet with countries currently focusing much of their attention on their recovery and resilience plans and the conflict in Ukraine, many Member States have still not presented their cohesion investment plans to the European Commission, raising fears that valuable cohesion funding could be lost as a result, which could have serious consequences for the future implementation of macro-regional cooperation. Organised from 7 to 11 March 2022, and providing an opportunity for macro-regional strategy stakeholders from across the EU to engage with EU institutions and raise awareness of macro-regional cooperation, the EU’s third macro-regional week could arguably not have come at a better time.

This is a further update to a 2017 briefing, the previous edition of which dates from February 2020.

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Background

One of the European Union’s main instruments for promoting European territorial cooperation, macro-regional strategies (MRS) bring together regions from Member States and third countries confronted with a common set of challenges. Whether inspired by a sense of regional identity, a desire to engage in closer cooperation or to pool resources, all macro-regional strategies share a common aim: to ensure a coordinated approach to issues best tackled jointly. Strengthened by the introduction of a new requirement for Member States to take account of macro-regional strategies when programming structural funds during 2014-2020, this form of cooperation has become firmly embedded in the EU’s institutional framework, with a total of 19 Member States and 10 third countries currently participating in macro-regional strategies.

The macro-regional concept

According to the 2013 Common Provisions Regulation, a macro-regional strategy means an ‘integrated framework endorsed by the European Council, which may be supported by the European structural and investment funds among others, to address common challenges faced by a defined geographical area relating to Member States and third countries located in the same geographical area which thereby benefit from strengthened cooperation contributing to achievement of economic, social and territorial cohesion’. While the issues involved differ from one geographical area to another, priority is given to issues of strategic importance covering challenges where closer cooperation is vital, such as environmental protection, and opportunities, where cooperation is of mutual benefit, e.g. in research and innovation. The EU’s first macro-regional strategy, the European Union strategy for the Baltic Sea region (EUSBSR) has acted as a model for a further three EU strategies: the Danube strategy, the Adriatic-Ionian strategy and the Alpine strategy.

Overview of the strategies

EU strategy for the Baltic Sea region

Encompassing the eight EU Member States of the Baltic region and four neighbouring third countries, the EU strategy for the Baltic Sea region was launched in 2009, following the adoption of a communication and action plan by the European Commission. The original action plan has been revised four times, most recently in 2021. The strategy has three key objectives, ‘Save the sea’, ‘Connect the region’, and ‘Increase prosperity’, with the EUSBSR’s work thematically divided into 14 interconnected policy areas including hazards, bio-economy, health or education. Each policy area develops between two and four actions, outlining activities such as projects, processes, networks or platforms for achieving the strategy’s objectives, with flagship projects also representing a key delivery tool, putting forward new solutions, methodologies or practices. Climate change and cooperation with neighbouring non-EU countries are mainstreamed as cross-cutting actions for all 14 policy areas. In terms of funding, the Interreg Baltic Sea programme has played a key role in financing the implementation of the EUSBSR from the outset. For 2014-2020, the programme’s priorities were aligned with the EUSBSR’s three objectives, contributing some €278 million to help mobilise projects in the region, with a total of €259 million provided for in the draft 2021-2027 Interreg Baltic Sea programme, which will focus on four priorities. Its governance
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EU strategy for the Danube Region

Covering 15 countries that differ widely in terms of their development level and status in relation to the EU, the EU strategy for the Danube region (EUSDR) includes nine EU Member States and six third countries among its members. Initiated through the adoption of a communication and action plan by the European Commission in December 2010, updated in 2020, the EUSDR is organised around four main pillars. Connecting the region covers issues such as improving waterway mobility and promoting culture and tourism; Protecting the environment seeks to ensure water quality and manage environmental risks, among other issues; Building prosperity aims to develop the knowledge society; while Strengthening the region focuses on enhancing decision-making capacity and structures in the public and private sector. These four goals are further divided into 12 priority areas. The strategy's governance structure comprises a political level, which includes the high-level group, EUSDR presidency and ministers of EUSDR countries, which decides on main policy orientations, reports on progress and coordinates the participation of individual countries in the strategy, a coordination level, comprising national coordinators, the main decision-makers within the EUSDR's governance structures and the Danube strategy point, and an operational level, where priority area coordinators, appointed by the two countries responsible for each priority area, are in charge of implementation.

Their work is supported by steering and working groups, with the European Commission playing a key role in providing strategic coordination. On funding, during 2014-2020, support was available under the European structural and investment funds (ESIF), with the Danube transnational programme providing total EU funding of €231 million, including €202 million under the European Regional Development Fund (ERDF) and an extra €20 million from the Instrument for Pre-Accession Assistance (IPA), used to fund projects in the region and co-finance activities carried out by Priority Area Coordinators. The draft 2021-2027 Danube transnational programme, meanwhile, provides for a total of €213.1 million, with funding under the ERDF (€165.4 million), IPA (€30 million) and the Neighbourhood, Development and International Cooperation Instrument NDICI (€17.7 million).

EU strategy for the Adriatic and Ionian region

Initiated on 17 June 2014 with the adoption of a communication and action plan by the Commission, the EUSAIR brings together ten countries, comprising the four EU Member States in the region and, following the recent inclusion of North Macedonia (2020) and San Marino (2022), a total of six countries from outside the EU. The strategy is structured around four main pillars: Blue growth, covering themes such as blue technologies or fisheries and aquaculture; Connecting the region, which examines areas including maritime transport or energy networks; Environmental
quality, which focuses on issues such as the marine environment and transnational terrestrial habitats; and Sustainable tourism, which seeks, inter alia, to promote sustainable and responsible tourism management. The governing structure has three levels: a political level, comprising the Ministers of Foreign Affairs and/or Ministers for EU Funds of the participating countries, a coordinating level, the Governing Board, in which each participating country has two delegates (national coordinators) and which provides strategic guidance on EUSAIR management and implementation and its action plan; and an implementation level, the Thematic Steering Groups, which bring together officials from participating countries to identify actions and projects to be included in the action plan. The EUSAIR Facility Point provides operational support to the coordinating and implementation levels.

On funding, the ESIF for 2014-2020 provided substantial financial resources for projects in areas such as energy, transport and ICT infrastructure, complemented by support under the IPA for non-EU countries, while funding for specific pillars was also available under funds such as Horizon 2020. During 2014-2020, additional assistance was provided by the Interreg ADRION programme, allocating a total of €118 million to funding projects under the EUSAIR’s four pillars, including support for EUSAIR governance under priority axis 4. For 2021-2027, as indicated in Commission implementing decision EU 2022/74 of 17 January 2022, a total of €136.7 million will be available under the Adriatic-Ionian Interreg programme to support macro-regional cooperation in the region, of which €65.8 million will be provided under the ERDF.

EU strategy for the Alpine region (EUSALP)

Spanning five EU Member States and two non-EU countries, the process of setting up the EU’s most recent macro-regional strategy began in July 2015, with the Commission’s adoption of a communication and action plan. The strategy has three thematic areas: Economic growth and innovation, which seeks to provide fair access to job opportunities; Mobility and connectivity, which aims to provide sustainable internal and external accessibility to all; and Environment and energy, whose objective is to achieve a more inclusive environmental framework for all. The three thematic areas are complemented by one cross-cutting policy area on Governance, which is tasked with ensuring a sound macro-regional governance model for the region. The governance structure comprises a General Assembly, whose role is to set general political guidelines, the Executive Board, which is responsible for horizontal and vertical coordination of the EUSALP action plan and ensuring guidance for EUSALP management and implementation, and Action Groups (AG), who play a key role in the actual implementation of the strategy and ensure adequate resources and capacities. With a budget of €139 million for 2014-2020, the Alpine Space transnational cooperation programme provides funding for the EUSALP, contributing to furthering EUSALP governance via its priority axis on a well-governed Alpine space. According to the draft 2021-2027 Alpine Space programme, a total of €107 million will be available, focusing on four priorities that ensure an Alpine region that is climate resilient and green, carbon neutral, supports innovation and digitalisation, and cooperatively managed and developed.

Assessing macro-regional strategies

European Commission

Noting clear results in terms of projects and more integrated policy-making, a June 2013 Commission report found that macro-regional strategies generate added value as they improve policy development, provide better value for money, ensure greater integration, tackle regional inequality and promote territorial cohesion. In December 2016, the Commission issued its first report providing an overall assessment of their state of implementation, which is now published every two years. On policy-making and planning, it considers that macro-regional strategies have strengthened cooperation in certain policy areas, stressing their important role in developing links with non-EU countries. It emphasises, however, that many projects require stronger coordination
within and between participating countries if they are to achieve results. While acknowledging positive developments in the area of governance, such as the creation of stakeholder platforms, the report pinpoints challenges, including ensuring efficient cooperation structures, empowering key players such as national coordinators, providing adequate human and financial resources and securing commitment from all countries, stressing that Member States need to take full responsibility for their implementation tasks. On funding, the Commission reports stronger links between programme managers and MRS implementers, yet notes that the gap between strategies and funding opportunities remains a challenge.

The European Commission’s second report on the implementation of macro-regional strategies was published in January 2019. In terms of policy-making and planning, the Commission considers that MRS constitute political platforms which bring added value to the cooperation aspect of cohesion policy, and provide an opportunity for multi-sectoral, multi-country and multi-level governance. On governance, the report stresses that a number of new political initiatives have taken place since 2016, such as the creation of a EUSALP network on deploying green infrastructure in urban areas, yet considers that there is room for improvement. In particular, it argues that MRS could benefit from the political visibility provided by ministerial meetings and a ministerial declaration organised alongside annual fora. While noting that all MRS have strengthened their communication activities since 2016, the Commission considers that further efforts are needed to improve internal and external communication. With regard to funding, the Commission highlights good practices such as targeted calls and direct support for strategy projects, but notes that the issue of closing the gap between MRS and funding opportunities is likely to remain a challenge.

The European Commission’s third report on the implementation of macro-regional strategies was published in September 2020. The report takes note of the progress made by the macro-regional strategies, highlighting in this context the revision of the action plans for the Danube and the Baltic strategies, the inclusion of North Macedonia in the Adriatic-Ionian strategy and the ongoing embedding process under way in all macro-regional strategies (MRS).

In terms of MRS thematic priorities and their interrelation with the European Green Deal, the Commission considers that MRS have realised a number of major achievements in the field of water quality and ecological connectivity, supported the sustainable development of the blue economy and delivered key progress in terms of sustainable and multi-modal transport and sustainable energy supply, also demonstrating that they can play a significant role in the twin green and digital transition. On the issue of access to funding and embedding, the report notes that coordination between the MRS and ESI funds programmes has been limited and focused largely on Interreg programmes, highlighting that these programmes do not have the budget or include the types of projects needed to address the MRS’ ambitious objectives and priorities. In this context, it considers
that mobilising the next generation of national and regional EU funding programmes remains a crucial exercise for the MRS. When it comes to governance and administrative capacity, the report notes that all four MRS made progress in this area during the previous two years, and makes a number of observations regarding the MRS' three levels of governance. With regard to the political level, the Commission highlights the growing role of the rotating presidency in all strategies and considers that strengthening political commitment is essential. For the coordination level, the report considers that the multi-level coordination mechanisms in many countries provide encouraging results, yet highlights the need for more staff continuity and adequate administrative support while, for the political level, it notes a need for further work to give implementing bodies clear mandates and decision-making capacity. Looking to the future, the report argues that the MRS should keep up with new priorities and considers that stronger political ownership and drive needs to be maintained if the MRS are to make a substantial contribution to the medium- to long-term economic recovery and prosperity.

The Commission staff working document accompanying the 2020 implementation report provides more detail about the state of progress of the individual macro-regional strategies. On the Baltic Sea strategy, the document notes that the EUSBSR is a successful initiative that has brought significant results in diverse areas such as innovation, safety and reduction of pollution in the Baltic Sea, and has helped shape and develop policy on energy, navigation and climate change. In terms of its policy impact, the Commission considers that implementation of the EUSBSR has helped achieve several policy goals at EU, macro-regional, national and local level. Challenges remain, however. High-level political commitment to EUSBSR continues to be an issue, while the strategy's broad scope also remains a challenge, with the report noting that focusing on areas where macro-regional cooperation brings clear added value could improve its effectiveness and impact. In terms of funding, the report notes that Interreg funding is too limited and that it is therefore vital to ensure that EUSBSR priorities are included into mainstream 2021-2027 national and regional programmes under ESI funds. On communication, it notes that while there has been progress, further work is needed to strengthen it, especially at national level and in national languages.

Highlighting the importance for the Danube strategy of the revision of its action plan, the Commission notes that this mobilised stakeholders at all levels, re-energising political commitment and facilitating EUSDR convergence with national policies. The report emphasises that the strategy has proven to be a useful tool for focusing the attention of politicians, administrations and civil society organisations on the Danube region. It draws attention to the EUSDR's specific added value in involving non-EU countries in managing priority areas as a way of supporting the preparations and initiatives related to their EU membership aspirations. In terms of challenges, political commitment is still weak and has been losing momentum, implementation is impeded by a lack of formalised cooperation between EUSDR stakeholders and managing authorities, while the administrative capacity of policy area coordinators and steering group members is still a challenge, particularly in candidate and neighbourhood countries. The Commission considers there is still room to improve policy coherence, noting a lack of continuity in the political priorities of each presidency while, on funding, it identifies problems with securing funding from mainstream programmes.

The Commission considers that the Adriatic and Ionian strategy has achieved significant results in terms of establishing stable and efficient governing structures, increasing regional cooperation in its priority sectors and supporting the enlargement process of Western Balkan countries by allowing them to gradually access relevant EU policies and political platforms. On funding, it notes that all EUSAIR participating countries have worked intensively to ensure that EUSAIR priorities are taken on board by national authorities in their post-2020 programming documents. In terms of challenges, the report stresses the need for key implementers and stakeholders to work to increase EUSAIR's impact on policies, and for a more strategic vision for implementing the strategy, noting that differences in administrative capacity and availability of human resources affect the level of involvement of actors in national EUSAIR governing structures. On funding, the report stresses that
the lower financial capacity of IPA countries means that it is a challenge to ensure the balanced implementation of EUSAIR actions and projects across the whole Adriatic and Ionian region, with diverging structures, regulations, methodologies and available amounts making it difficult to devise joint, parallel or coordinated actions and projects implementing its action plan.

For the **Alpine strategy**, the Commission considers that the strategy has helped improve coordination and cooperation within the participating countries and has also supported the creation of new stable networks for exchanges and joint actions. In addition, the EUSALP has helped to strengthen the dialogue between the EU and the local and regional level, increased political awareness of key Alpine topics, and supported implementation of the sectoral EU policies by better linking public action at EU, national and regional levels. In terms of challenges, aligning the action group’s tasks and objectives with high-level policy strategies and objectives remains an issue while, in the area of funding, the operational links between national operational programmes and the EUSALP are relatively weak. Looking at the way forward, the report identifies a number of measures, including the need to strengthen the ownership and commitment of line ministers and presidents of regions, to achieve greater policy impact through the alignment of policy-making and alignment of funds, and to clarify the roles and responsibilities of actors and strengthen the role of the trio Council presidencies.

**European Parliament**

Building on its previous resolutions covering individual macro-regional strategies, such as the **Adriatic and Ionian strategy** and the **Alpine strategy**, the European Parliament adopted a resolution on the implementation of macro-regional strategies in January 2018. While acknowledging that problems remain in such areas as political commitment, ownership, resources and governance, the resolution emphasises that macro-regional strategies make a key contribution to cross-border, cross-sector and multi-level cooperation in Europe. Parliament considers that they are also useful instruments for making the benefits of European cooperation visible to citizens, although access to EU funds for MRS projects does remain a challenge. It also encourages better coordination and partnerships among the various actors and policies at regional and national level and highlights the importance of providing sufficient human resources and administrative capacity for the competent national and regional authorities in order to ensure that the political commitment translates into effective implementation of the strategies.

The text welcomes the results achieved by the **Baltic strategy**, in particular its cooperation mechanisms, and praises its communication strategy, yet notes that challenges continue in areas such as the environment and connectivity, calling on the countries involved to redouble their efforts to address Baltic Sea pollution. While noting the **Danube strategy**'s positive impact on cooperation among participating countries, the resolution highlights the need to maintain political support and increase resources and capacity to tackle remaining challenges, identifying the prevention of damage caused by severe flooding as a key challenge for the environment. It considers that the **Adriatic and Ionian strategy** represents a great opportunity for the region, which could give impetus to the enlargement and integration process and help address migration challenges, if given the necessary instruments and resources, yet stresses continued problems with resources, governance and ownership. Highlighting that the **Alpine strategy** is proof that the macro-regional concept can also be applied successfully to more developed regions, the European Parliament welcomes its governance strategy and considers it could act as a template strategy for territorial cohesion. It stresses, however, that the Alpine region is delineated by many borders and that removing such barriers is a prerequisite for cooperation to work.

**Council of the EU**

On 25 April 2017, the Council adopted conclusions on the implementation of EU macro-regional strategies. It welcomed the progress and preliminary results of the strategies and their contribution to territorial cohesion, a more integrated implementation of EU sectoral policies, and closer links
with third countries, yet noted that the strategies all faced common and individual challenges that could be further addressed, particularly in terms of governance, result orientation, funding, communication and cooperation.

The Council adopted a second set of conclusions on the implementation of macro-regional strategies on 21 May 2019. Recognising the role of macro-regions in fostering socio-economic and territorial cohesion and regional cooperation through people-to-people contacts, it acknowledges the achievements and progress made in the past two years in areas such as implementing specific projects aimed at improving quality of life or strengthening relations between participating countries and between the EU and non-EU countries. In particular, it observes the need to rekindle political momentum in support of macro-regional strategies, to increase involvement of local and regional partners and stakeholders and to make progress in communication activities. Taking note of the Commission's 2019 report and recommendations, it calls on participating countries to strengthen ownership and ensure appropriate political support at national level, and to empower key implementers by providing adequate staff and enhancing political support to ensure the fulfilment of their task and active participation in their groups. Looking to the future, the Council remains open to examining any commonly agreed initiative from Member States facing the same challenges in a defined geographic area, aimed at setting up a new macro-regional strategy.

On 2 December 2020, the Council adopted a further set of conclusions on the implementation of macro-regional strategies. Welcoming the Commission’s third report on the implementation of macro-regional strategies, the Council recognises the achievements of the participating countries and regions in the implementation of macro-regional strategies, in particular the revision of the EUSBSR and EUSDR action plans, the progress made in embedding MRS priorities in EU 2021-2027 funding programmes, the adoption of the EUSALP Manifesto for a sustainable and resilient Alpine region, the organisation of the first MRS week in Brussels and the Republic of North Macedonia joining the EUSAIR. In particular, it acknowledges that for the MRS to fully contribute to the implementation of EU policies, Europe’s recovery from the Covid-19 pandemic, and to the EU’s social, economic and territorial cohesion, there is a need to use the momentum for more ambitious actions on funding, governance, post-pandemic resilience and recovery aspects of the MRS and on EU neighbourhood relations and integration. Highlighting the urgency of further embedding the priorities of the MRS in relevant 2021-2027 EU funding programmes, the Council reaffirms the need for optimal use of existing financial resources and calls on all participating countries and regions to establish networks of managing authorities of 2021-2027 EU funding programmes as soon as possible.

Emphasising the importance of capacity-building, and of clear-cut and results-oriented governance of the MRS, the Council calls on the Commission to continue to play a leading role in the coordination of MRS and urges participating countries to optimise governance aspects and ensure the effective involvement of stakeholders in MRS implementation. Acknowledging the role of MRS in the territorial implementation of post-pandemic resilience and recovery, the Council also recognises the contribution of the MRS to European enlargement and neighbourhood policies, as well as to cross-border relations with non-EU participating countries/regions, calling on participating countries/regions and the Commission to strengthen synergies between the relevant MRS and the EU enlargement process in the Western Balkans region. The Council reiterates that it remains open to examine commonly agreed initiatives of Member States facing the same challenges in a defined geographic area, aimed at setting up new macro-regional strategies.

Committee of the Regions (CoR)

Stressing that macro-regional strategies are a vital element in achieving the EU’s strategic objectives, the Committee’s 2017 opinion on the implementation of MRS welcomed the European Commission’s 2016 report on the implementation of EU macro-regional strategies, noting that the EU needed a territorial vision that goes beyond borders. While emphasising the potential role of MRS for integrated development beyond the borders of the EU, particularly in view of the United
Kingdom leaving the EU, it regretted that the added value of the MRS was not currently sufficiently reflected in sectoral policies and their financing programmes. The opinion also argued that the ‘Three No’s’ should be replaced by ‘Three Yes’s’, to improve the use of existing legislation, institutions and funding. Instead, the CoR would say yes to better synergies with funding instruments, yes to better embedding of existing structures in MRS and yes to better implementation of existing rules.

The CoR’s June 2019 opinion on 'Macro-regional strategies, such as the Danube: a framework for promoting transnational clusters’, stresses that MRS are an excellent 'bottom-up' tool for territorial cooperation, providing opportunities for genuine multi-level governance without creating new red tape, bridging the gap between EU and local policy-making and directly involving representatives of cities and regions. At the same time, the CoR also urges greater coordination between the priorities of MRS and all EU funds and sectoral policy programmes, and calls for the further engagement of Member States and regions and the allocation of the necessary financial and human resources to enable MRS to fulfil their potential.

Following a proposal submitted by the Polish government to the European Commission in October 2018, the CoR adopted an opinion in December 2019 supporting the creation of a Carpathian strategy, which called specifically on the European Commission to establish an MRS for the region. The Commission is taking a cautious approach, with then Commissioner Corina Creţu recommending in 2019 that all options be explored prior to launching a new strategy, including extending the Danube MRS. Equally, while the Council remains open to the idea of establishing new macro-regional strategies, it has stopped short of actually endorsing a Carpathian MRS.

Stakeholders

Highlighting the frequent absence of any link between MRS and funding instruments, Interact's June 2017 report notes persistent problems in the extent to which strategies are embedded into EU funding programmes, such as a lack of information in EU funding programmes on how they can support the EUSDR and EUSAIR, and the limited involvement of EUSDR and EUSAIR stakeholders in implementing such programmes. The issue of embedding is also raised in a June 2019 research report by CEPS, which notes there is a risk that the capacity of MRS to act is being restricted by the absence of specific MRS funding instruments, which complicates the integration of MRS into the strategies of ESIF funds or other financing instruments. While recognising that MRS can act as a platform for the exchange of best practices, the study emphasises that the importance given to MRS by stakeholders depends on the level of involvement of central government, highlighting the need to ensure that MRS interests are taken seriously by central governments, particularly in larger Member States. It also stresses that each macro-regional strategy has different needs, noting that the lack of historical structures and frequent lack of capacity in the EUSDR and EUSAIR means that stronger EU intervention is required to ensure the development of these two strategies.

A November 2017 study on macro-regional strategies and their links with cohesion policy undertaken for the European Commission's Directorate-General for Regional and Urban Policy (DG REGIO) identifies that there are three development phases for each macro-regional strategy, and calls for the roll-out of phase-specific monitoring systems and relevant indicators that can reflect the development of each strategy. It also sets out a number of recommendations on improving the links for aligning MRS with ESIF. In particular, it notes a need for more strategic alignment between MRS and ESIF at the programming stage to ensure sufficient ESIF funding for activities in key policy areas and to ensure a good match of activities between operational programmes and MRS policy areas through road maps and strategies. On funding, meanwhile, the study argues that it is important to establish new mechanisms and formats beyond traditional projects, and calls for additional flexibility in the planning of funding and when it comes to respecting regional competences and framework conditions.

Macro-regional strategies have also been the subject of much interest in the academic world. Stefan Gänzle, for instance, has argued that the diagnostic monitoring of implementation is the
weak point of macro-regional strategies, while Franziska Siekler and Jorg Mirtl stress that a lack of resources for macro-regional strategies continues to be a major concern. The above assessment reveals a certain agreement among EU institutions and stakeholders as to the benefits of macro-regional strategies, yet a common set of challenges is also identifiable, with stakeholders pointing to shortcomings in governance, result orientation, alignment, funding, and political commitment and ownership.

Macro-regional strategies and cohesion policy post-2020

With the European Commission's 2016 report on the implementation of macro-regional strategies emphasising that cohesion policy reform should focus on how to strengthen synergies between MRS and ESIF programmes and align transnational programmes more closely with MRS, these ideas were developed further in the set of proposals published as part of the post-2020 cohesion policy package in May 2018. Within this package, macro-regional strategies were covered primarily by the proposal for a regulation on territorial cooperation (Interreg).

Published in the Official Journal on 30 June 2021, after three years of discussions involving the Council and European Parliament, the Interreg Regulation has introduced a number of changes that will impact on the implementation of macro-regional strategies and on macro-regional cooperation in general. In this context, the ETC regulation includes a number of measures to strengthen Interreg programmes covering the same functional areas as existing MRS, and to increase alignment between funding and MRS priorities.

New measures supporting macro-regional cooperation

One of the most important measures in this respect is the introduction of thematic concentration requirements for Interreg programmes that support a macro-regional strategy. In accordance with Article 15 of the European Territorial Cooperation (ETC) Regulation, such programmes must now allocate a minimum percentage of 80 % of their ERDF resources to the related strategy, reflecting Parliament's position as set out in its negotiating mandate. While during 2014-2020, the regulation provided that at least 80 % of the EU funding under each transnational programme should be allocated to a maximum of four thematic objectives, post-2020, the same minimum percentage must now be allocated to the specific objectives of the appropriate macro-regional strategy. This means that Interreg programmes supporting individual macro-regional programmes such as Adrion or Alpine Space will have real potential to improve the delivery of the relevant macro-regional strategy, by focusing funding on achieving MRS objectives, while at the same time avoiding the unnecessary dilution of funds across different policy objectives.

The ETC Regulation also establishes two new Interreg-specific objectives, one of which, 'Better cooperation governance', includes an action on enhancing public authorities and stakeholders'
institutional capacity to implement macro-regional strategies. More specifically, Article 15 of the Interreg Regulation provides that up to 20% of the EU funding available under A, B and D Interreg programmes (B Interreg programmes being those that support macro-regional strategies) may be allocated to the Interreg-specific objective of better cooperation governance. The above provision represents a significant innovation, as this is the first time that Member States will be able to allocate such a large proportion of funding under an Interreg programme to help strengthen the institutional capacity of governments and stakeholders for delivering macro-regional strategies. Considering the large developmental differences between the countries of certain macro-regional strategies, this new measure arguably has the potential to make a real difference by providing EU support to strengthen the institutional capacity of those participating authorities and stakeholders that need it the most.

The Interreg Regulation has also introduced a number of measures that seek to increase the participation of MRS actors in the programming process. While the final text of the Interreg Regulation stopped short of endorsing the European Parliament’s proposal to involve these actors in actually deciding on the priorities for each programme, the Council agreed to Parliament’s amendment to consult relevant macro-regional actors and to bring them together at the start of the programming period as part of the preparation of Interreg programmes covering macro-regional strategies, as reflected in Article 16 of the Interreg Regulation. Article 16 also provides that when preparing Interreg programmes covering macro-regional strategies, the Member States and the programme partners shall take account of the thematic priorities of the relevant macro-regional strategy, helping to establish a close link with MRS at the planning stage.

Financing

While Parliament had called repeatedly for a significant increase in the ETC budget in the post-2020 programming period, raising the issue in its April 2018 resolution on the seventh cohesion report and June 2017 resolution on building blocks for a post-2020 EU cohesion policy, the Commission’s May 2018 proposal provided for a total Interreg budget of €8.43 billion, a significant reduction on the €10.1 billion available in 2014-2020. Despite the opposition of numerous stakeholders, not least the European Parliament, this amount was reduced even further, with the final text of the ETC Regulation establishing a total budget of €8.05 billion for 2021-2027. Transnational cooperation, the strand that supports macro-regional strategies, has been allocated a budget of €1.466 billion, which represents a reduction of almost 20% on the 2014-2020 period. This decrease in the budget translates into a corresponding cut in ERDF funding for the four Interreg programmes supporting the individual macro-regional programmes, which play a key role in supporting many of the day-to-day operations of the MRS.

In addition, the co-financing rate for all Interreg programmes for 2021-2027, except for Interreg D, has been reduced to 80%, in place of the 85% rate applicable during the previous programming period. While this goes significantly beyond the Commission’s original proposal of 70%, reflecting Parliament’s position, this decrease in the rate means that there will effectively be even less financial support available to macro-regional participants, who will therefore be required to make a larger own contribution to project funding. Given this continued lack of funding, it is arguably all the more important to embed MRS priorities into relevant EU funding programmes by aligning national and regional EU funding programmes with the priorities of the four macro-regional strategies, with a view to mobilising the maximum possible from all available sources of EU funding.

Outlook

Recent years have seen macro-regional strategies continue to achieve results in a number of important areas. As highlighted by the Commission’s third implementation report, all four macro-regional strategies have made progress in the area of governance and administrative capacity and in terms of embedding their priorities in 2021-2027 EU funding programmes, with the Council recognising the role of MRS in the territorial implementation of post-pandemic resilience and
recovery and the contribution of the MRS to European enlargement and neighbourhood policies, as well as to cross-border relations with non-EU participating countries.

Despite these positive developments, it is nonetheless possible to identify a common set of challenges persistently facing all four strategies in areas such as governance, political commitment and ownership, or the need to be more results oriented. This helped frame discussions on the position of macro-regional strategies within the post-2020 cohesion policy framework, with the issue of funding in particular reflected in the 2021 ETC Regulation, which includes measures to strengthen synergies between MRS and ESIF programmes and align transnational programmes more closely with MRS.

In light of the proposed thematic concentration requirements, new Interreg-specific objectives and new rules on the participation of MRS actors in the programming process, the post-2020 cohesion policy architecture has the potential to establish closer links between Interreg programmes, macro-regional strategies and the actors involved, facilitating the embedding of MRS priorities into relevant EU funding programmes. This process has arguably taken on an even greater importance in view of the reduction in the budget of the four 2021-2027 Interreg transnational cooperation programmes, which play a key role in financing the operations of the relevant macro-regional strategies.

However, with countries currently focusing much of their attention on their recovery and resilience plans and the conflict in Ukraine, many Member States have yet to present their cohesion investment plans to the European Commission, raising fears that valuable cohesion funding could be lost as a result, which could have serious consequences for the future implementation of macro-regional cooperation. Organised from 7 to 11 March 2022, and providing an opportunity for MRS stakeholders from across the EU to engage with the EU institutions and raise awareness of macro-regional cooperation, the EU’s third macro-regional week could arguably not have come at a better time.

MAIN REFERENCES

European Commission, report on the implementation of EU macro-regional strategies, September 2020.

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