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DRAFT REPORT

on boosting growth and cohesion in EU border regions
(2018/2054(INI))

Committee on Regional Development

Rapporteur: Krzysztof Hetman

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on boosting growth and cohesion in EU border regions (2018/2054(INI))

The European Parliament,

- having regard to Article 3 of the Treaty on European Union (TEU) and Articles 4, 162, 174 to 178 and 349 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006¹,
- having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal²,
- having regard to Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC)³,
- having regard to Directive 2011/24/EU of the European Parliament and of the Council of 9 March 2011 on the application of patients' rights in cross-border healthcare⁴,
- having regard to the Commission communication of 20 September 2017 entitled 'Boosting growth and cohesion in EU border regions' (COM(2017)0534),
- having regard to the Commission staff working document of 20 September 2017 accompanying the Commission communication entitled 'Boosting growth and cohesion in EU border regions' (SWD(2017)0307),
- having regard to its resolution of 13 March 2018 on lagging regions in the EU⁵,
- having regard to its resolution of 13 June 2017 on building blocks for a post-2020 EU cohesion policy⁶,
- having regard to its resolution of 13 June 2017 on increasing engagement of partners and visibility in the performance of European Structural and Investment Funds⁷,
- having regard to its resolution of 18 May 2017 on the right funding mix for Europe's

¹ OJ L 347, 20.12.2013, p. 320.

² OJ L 347, 20.12.2013, p. 259.

³ OJ L 210, 31.7.2006, p. 19.

⁴ OJ L 88, 4.4.2011, p. 45.

⁵ Texts adopted, P8_TA(2018)0067.

⁶ Texts adopted, P8_TA(2017)0254.

⁷ Texts adopted, P8_TA(2017)0245.

regions: balancing financial instruments and grants in EU cohesion policy¹,

- having regard to its resolution of 16 February 2017 on investing in jobs and growth – maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the CPR²,
 - having regard to its resolution of 13 September 2016 on Cohesion Policy and Research and Innovation Strategies for Smart Specialisation (RIS3)³,
 - having regard to its resolution of 13 September 2016 on European Territorial Cooperation – best practices and innovative measures⁴,
 - having regard to its resolution of 10 May 2016 on new territorial development tools in cohesion policy 2014-2020: Integrated Territorial Investment (ITI) and Community-Led Local Development (CLLD)⁵,
 - having regard to the conclusions and recommendations of the High Level Group monitoring simplification for beneficiaries of ESI Funds,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A8-0000/2018),
- A. whereas 40 internal EU border regions represent 40 % of the Union's territory and close to 30 % of the EU's population;
- B. whereas border regions generally perform less well economically than other regions within the Member States;
- C. whereas, in spite of the efforts already undertaken, obstacles – mainly administrative and legal barriers – still persist and hamper growth and cohesion in the border regions;
- D. whereas the removal of only 20 % of the existing obstacles in the border regions would bring about an increase in their GDP by 2 %, or around EUR 91 billion, which would translate into approximately one million new jobs;
- E. whereas the total number of cross-border workers active in another EU country is approximately 1.3 million, or 0.6 % of all employees across the EU-28;
- F. whereas the Commission also intends to present its stance on the internal maritime border regions;
- G. whereas several challenges faced by the external border regions of the EU would also merit a stance being adopted by the Commission;

¹ Texts adopted, P8_TA(2017)0222.

² Texts adopted, P8_TA(2017)0053.

³ Texts adopted, P8_TA(2016)0320.

⁴ Texts adopted, P8_TA(2016)0321.

⁵ Texts adopted, P8_TA(2016)0211.

1. Welcomes the Commission communication on ‘Boosting growth and cohesion in EU border regions’ which, as the result of two years of research and dialogue, provides a valuable insight into the challenges and obstacles faced by the internal EU border regions;

Targeting the persistent obstacles

2. Points out that access to public services is crucial for the 150 million-strong cross-border population, and is hampered by numerous legal and administrative barriers; calls, therefore, on the Commission and the Member States to maximise their efforts to remove these barriers, especially when related to health services, transport, education, labour mobility, as well as regulation and business development;
3. Underlines that the problems faced by the border regions are common to some extent, but also vary from region to region and depend on the individual characteristics of a given region, which makes an individual approach in tackling these obstacles a necessity;
4. Underlines that the differing legal frameworks of the Member States can lead to legal uncertainty in the border regions, which results in an increase in the time needed and the cost of the projects, and constitutes an additional obstacle for citizens and enterprises in the border regions; stresses, therefore, that greater complementarity between the Member States, or at least at border region level, is desirable;
5. Recognises the special situation of cross-border workers, who are most seriously affected by the challenges present in the border regions, including, in particular, the recognition of diplomas and other qualifications, healthcare, transport and access to information on job vacancies, social security and taxation systems; calls, in this context, on the Member States to step up their efforts to overcome these obstacles and allow for greater powers and flexibility for regional authorities in border regions to improve the quality of life of cross-border workers;
6. Points to the challenges related to business activities carried out in the border regions, in particular when related to taxation, public procurement or social security systems; calls on the Member States to better align and harmonise the relevant legal provisions and achieve convergence in regulatory frameworks, in order to allow for more flexibility in the implementation of national legislation, as well as to improve the dissemination of information on cross-border issues, e.g. by creating one-stop-shops;
7. Points out that transport services are still insufficiently developed in the border regions, which hampers cross-border mobility; stresses, furthermore, that cross-border transport infrastructure is also particularly adversely affected by complex regulatory and administrative arrangements; awaits the forthcoming Commission study on missing railway links along internal EU borders; underlines that any such study or future recommendations should be based on information and experience from local and regional authorities;

Enhancing cooperation and trust

8. Considers that mutual trust, political will and a flexible approach among multi-level

stakeholders are vital to overcoming the abovementioned persistent obstacles and boosting growth and development in border regions; calls, therefore, for better coordination, dialogue and a further exchange of best practices among authorities; urges the Commission and the Member States to enhance such cooperation;

9. Underlines the importance of education, and, in particular, the opportunities to step up efforts to promote multilingualism in border regions;
10. Welcomes the eGovernment Action Plan 2016-2020¹ as a tool to achieve an efficient and inclusive public administration, and recognises the particular value of this plan for simplification measures in the border regions; is, however, concerned by the patchy implementation of the plan in some Member States; is also concerned about the low level of online services available for foreign entrepreneurs to start doing business in another country;
11. Notes that some border regions face serious migration challenges, and encourages the measured use of Interreg programmes, as well as the exchange of good practices between local and regional authorities in the border areas, in the framework of the integration of refugees under international protection; underlines the need for national governments to support local and regional authorities in addressing these challenges;
12. Awaits the Commission's position on internal maritime as well as external border regions; reiterates, in this context, that the features of and the challenges faced by all border regions are common to some extent, while requiring a differentiated approach;
13. Calls on the Member States to ensure genuine cooperation in the field of cross-border healthcare, in order to ensure that patients' rights are respected, as provided for in the Cross-Border Healthcare Directive;

Exploiting EU tools for better coherence

14. Underlines the positive role of European Territorial Cooperation (ETC) programmes in the development and cohesion of border regions; calls on the Commission to preserve ETC as an important objective, with a more distinct role within cohesion policy post-2020, as well as a significantly increased budget; underlines at the same time the need to simplify the programmes and reduce the administrative burdens for beneficiaries;
15. Encourages the Commission to enhance the use of existing innovative tools, which contribute to the ongoing modernisation of cross-border cooperation, such as Border Focal Point, reinforced SOLVIT, as well as the Single Digital Gateway, aimed at organising expertise and advice on cross-border regional aspects, and to further develop new ones;
16. Regrets that the potential of the European Grouping of Territorial Cooperation is not being fully exploited, which could be due partly to regional and local authorities' reservations, and partly to their unfounded fear of a transfer of competences;

¹ Commission communication of 19 April 2016 entitled 'EU eGovernment Action Plan 2016-2020 – Accelerating the digital transformation of government' (COM(2016)0179).

17. Underlines that the Territorial Impact Assessment contributes to a better understanding of the spatial impact of policies; calls on the Commission to consider a Territorial Impact Assessment ultimately being made compulsory before any EU legislative initiative is proposed;
18. Awaits the prospective proposal for a regulation from the Commission on a cross-border cooperation management tool, in order to assess its usefulness for the EU regions in question;
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19. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

Internal border regions of the European Union represent as much as 40% of its territory and are home to 150 million of Europeans. They also generate a quarter of Europe's GDP. Despite these facts, the border regions are facing persistent obstacles, which hamper their growth and development and, as a result, they perform worse economically than regions situated deeper within the Member States.

In order to find an explanation for this situation, as well as to propose solutions, the European Commission has undertaken the Cross-Border Review 2015-2017, which consisted of a study of legal and administrative barriers, extensive on-line public consultations and a series of workshops with stakeholders. The effect of this review is the Communication on Boosting Growth and Cohesion in EU Border Regions, which points to the ten the most frequent obstacles for the development of the border regions and proposes solutions to solve these problems.

The rapporteur welcomes the document presented by the Commission as a valuable and thorough analysis of the existing obstacles, and he appreciates the solutions proposed. He strongly believes that the most powerful tool to overcome the burdens for the development of border regions is the mutual trust and political will of all the authorities responsible. Local and regional authorities should therefore be granted more trust from the Commission and national governments. Their efficient cooperation on the border regions requires more flexibility and undertaking special arrangements as the legal systems of the Member States involved are often not complementary. This is true even in regards to the EU law, as the transposition of the directives can vary in different Member States. Therefore, he believes the territorial impact assessment should be made obligatory for all the new EU legislation.

The rapporteur underlines, that pressing issues such as access to public services, legal uncertainty for border workers and employees or insufficient transport network require more focused and intensive measures undertaken primary at member state, but also at the EU level. Workers need to have their qualifications recognised and they must be well informed about their social security coverage. The barriers for cross-border businesses must also be removed, as currently the companies operating across the borders spend approximately 60% more than the ones operating domestically. The cooperation between the internal border regions and their development and cohesion could be further increased by reducing the complexity of the administrative procedures that the border citizens and businesses have to face in their everyday life. It is therefore vital to increase the efforts for further simplification.

The rapporteur highly values the positive impact of European Territorial Cooperation programmes in removing the barriers at the borders, however he sees that there is still a significant area for improvement. Therefore, he strongly supports preserving ETC and increasing its budget in the next programing period. At the same time, he points out that funding and investments are important, but not sufficient for the improvement of the situation, and therefore he finds that the instruments such as European Grouping for Territorial Cooperation should be enhanced. Moreover, the development of new instruments, such as new cross-border cooperation management tool, should be considered.

The rapporteur welcomes the creation of the Border Focal Point within the Commission,

which will offer the advice to national and regional authorities to tackle legal and administrative border obstacles. He underlines an important role of the Commission in reducing cross-border obstacles by proposing legislation or funding mechanisms or by supporting Member States in creating better arrangements and deepening their cooperation to break down the barriers in the border regions.

The rapporteur notes, that the Communication of the Commission refers only to the EU internal border regions. The rapporteur supports the logic of the Commission to focus only on these regions, as they are facing common challenges. However, he finds it vital to prepare a similar review for the external and maritime border regions in order to come up with the efficient solutions for the challenges and obstacles these regions are facing.