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DRAFT REPORT

on current and future challenges regarding cross-border cooperation with
neighbouring countries
(2023/2076(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on current and future challenges regarding cross-border cooperation with neighbouring countries (2023/2076(INI))

The European Parliament,

- having regard to Article 3 of the Treaty on European Union and Articles 4, 162, 174 to 178 and 349 of the Treaty on the Functioning of the European Union,
- having regard to Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy¹,
- having regard to Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund²,
- having regard to Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments³,
- having regard to Regulation (EU) 2022/562 of the European Parliament and of the Council of 6 April 2022 amending Regulations (EU) No 1303/2013 and (EU) No 223/2014 as regards Cohesion's Action for Refugees in Europe (CARE)⁴,
- having regard to Regulation (EC) No 1082/2006 of the European Parliament and of the Council of 5 July 2006 on a European grouping of territorial cooperation (EGTC)⁵,
- having regard to the Commission proposal of 29 May 2018 for a regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context (COM(2018)0373),
- 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 communication of 3 April 2020 entitled 'Guidelines

¹ OJ L 231, 30.6.2021, p. 159.

² OJ L 231, 30.6.2021, p. 60.

³ OJ L 231, 30.6.2021, p. 94.

⁴ OJ L 109, 8.4.2022, p. 1.

⁵ OJ L 210, 31.7.2006, p. 19.

on EU Emergency Assistance on Cross-Border Cooperation in Healthcare related to the COVID-19 crisis'⁶,

- having regard to the Commission communication of 30 September 2020 on achieving the European Education Area by 2025 (COM(2020)0625),
 - having regard to its resolution of 15 September 2022 on economic, social and territorial cohesion in the EU: the 8th Cohesion Report⁷,
 - having regard to its resolution of 13 March 2018 on lagging regions in the EU⁸,
 - having regard to its resolution of 11 September 2018 on boosting growth and cohesion in EU border regions⁹,
 - having regard to the resolution of the European Committee of the Regions of 1 July 2021 on a vision for Europe: The Future of Cross-border Cooperation¹⁰,
 - having regard to Rule 54 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development (A9-0000/2023),
- A. whereas EU cooperation programmes with neighbouring regions cover 184 regions, 33 countries and 260 million inhabitants;
- B. whereas Article 8 TFEU provides that the Union shall develop a special relationship with neighbouring countries, aiming at establishing an area of prosperity and good neighbourliness founded on the values of the Union and characterised by close and peaceful relations based on cooperation;
- C. whereas cross-border cooperation contributes to sustainable development along the EU's external borders and addresses common challenges;
- D. whereas the current geopolitical situation shows the importance of stability in the regions at the EU's external borders;
- E. whereas the COVID-19 pandemic and Russia's aggression against Ukraine have had a profound effect on all cross-border cooperation programmes supported by the European Neighbourhood Instrument (ENI-CBC) which include Russia and Belarus, with a major impact on half of the programmes proposed for the period 2021-2027;
- F. whereas the fragile political and security situation in North Africa and the migration crisis highlight the need for cooperation in the Mediterranean basin;

⁶ OJ C 111 I, 3.4.2020, p. 1.

⁷ OJ C 125, 5.4.2023, p. 100.

⁸ OJ C 162, 10.5.2019, p. 24.

⁹ OJ C 433, 23.12.2019, p. 24.

¹⁰ OJ C 440, 29.10.2021, p. 6.

General considerations on Interreg NEXT programmes

1. Welcomes the alignment of Interreg NEXT programmes with Interreg programmes as this has the potential to simplify procedures, enhance synergies between programmes and increase the effectiveness of European investments;
2. Stresses the importance of financial strengthening of the European Union; welcomes the greater accountability of third countries for recoveries from private sector beneficiaries;
3. Welcomes the possibility for managing authorities to transmit data electronically to the Commission, but at the same time points out that more frequent data transmission can increase bureaucratisation;
4. Expresses its concern that large infrastructure projects will no longer be subject to approval by the Commission;
5. Welcomes the removal of the limit on EU funding for large infrastructure projects and believes that infrastructure development contributes to socio-economic growth in cross-border regions;

Cross-border cooperation with the Eastern Neighbourhood

6. Welcomes the suspension of cross-border cooperation with Russia and Belarus, as well as the re-routing of funds to Ukraine and the Republic of Moldova;
7. Calls for funding from cross-border programmes to be used to develop transport infrastructure, including railway connections with Ukraine, in order to streamline the flow of goods and grain so as to ensure food security;
8. Recognises the importance of promoting local culture and of heritage conservation; calls, however, for more infrastructure projects that contribute to the connectivity of the regions to be encouraged;
9. Deplores the destruction of homes and infrastructure in Ukraine; stresses the active role that cross-border cooperation programmes and the New European Bauhaus should play in sustainable post-war reconstruction;
10. Deplores the use of energy sources as a means of exerting political pressure; calls for more funding to bolster energy efficiency and reduce dependence on Russia;
11. Welcomes the procedures for including Ukraine in the URBACT European Territorial Cooperation programme and the accession of Ukraine and the Republic of Moldova as observer members in the European Observation Network for Territorial Development and Cohesion (ESPON);

Cooperation relating to sea basins

Black Sea basin

12. Stresses the importance of increased financial support being granted, given the

security challenges in the Black Sea;

13. Highlights the potential of Black Sea energy sources, which are capable of contributing to a sustainable energy future in the European Union;
14. Considers that the Interreg NEXT Black Sea basin programme should facilitate sustainable economic development and the efficient management of shared resources;
15. Calls for Black Sea ports and related infrastructure to be upgraded, expanded and connected to existing transport hubs, and in particular for their connection to TEN-T corridors;
16. Calls for a cohesive strategy to be adopted for the Black Sea area and for synergies with the Danube Programme 2021-2027;

Mediterranean basin

17. Welcomes the fact that the number of countries participating in Interreg MED programmes is expected to increase;
18. Proposes a more coordinated and efficient use of existing funds in order to increase the competitiveness of the Mediterranean basin, while respecting environmental rules;
19. Considers that cross-border programmes must play an active role in managing migration flows and fostering inclusiveness on both sides of the Mediterranean;
20. Recognises the crucial role of research and innovation in natural disaster risk prevention, sustainable water management and CO₂ reduction;
21. Stresses that, despite their potential, renewable energy resources remain largely untapped;

Challenges in the field of cross-border cooperation

22. Notes that the existence of different legal and institutional frameworks creates additional obstacles to project implementation;
23. Notes that language barriers increase the administrative burden;
24. Stresses that incompatibilities exist between states when it comes to the competences of authorities, as well as frequent changes in regional authorities, which can cause delays;
25. Notes that adapting the programme to the individual needs and specifics of each participating state may call for further efforts to be made;
26. Notes that the COVID-19 pandemic has had an adverse impact on border regions, and has affected the implementation of current programmes and projects;

Cross-Border Cooperation (CBC) opportunities

27. Stresses that cross-border cooperation with neighbouring countries underscores the need to invest in the resilience of states and societies;
28. Considers that this contributes significantly to strengthening local democracy and the administrative capacities of partner countries;
29. Highlights the fact that the programmes offer opportunities for dialogue with a range of stakeholders: civil society, local authorities and the private sector;
30. Notes that CBC contributes to reducing regional disparities and promoting territorial cohesion, as well as to mobility and connectivity;
31. Highlights both the intangible benefits, such as institutional capacity building, and the tangible benefits linked to infrastructure development;

Policy recommendations

32. Recommends greater complementarity between projects and stresses the need for synergy with other policies which overlap geographically and thematically, in order to avoid any double funding;
33. Recommends promoting European Union financial instruments with added social value, in order to raise the level of awareness of the benefits of Europe;
34. Calls on the Commission to simplify procedures considerably and stresses that these should be flexible enough to meet the real needs of cross-border areas;
35. Stresses that the regional and local authorities should be involved in the implementation of projects; calls also for guidelines to be drawn up in this regard;
36. Calls on the Commission to improve the capacity of partner state authorities to access European funding;

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37. Instructs its President to forward this resolution to the Council, the Commission, the European Economic and Social Committee, the Committee of the Regions and the national and regional parliaments of the Member States.

EXPLANATORY STATEMENT

This own-initiative report (INI) has been produced in the wake of the Special Report of the European Court of Auditors¹ which found that cross-border cooperation with neighbouring countries provided valuable support, but pointed out that the programmes started late and that their complementarity with other EU-funded programmes was insufficient. The own-initiative report covers cross-border cooperation (CBC) between EU Member States and the neighbourhood region that are co-financed by the European Regional Development Fund (ERDF), the Neighbourhood, Development and International Cooperation Instrument (NDICI) and the Instrument for Pre-Accession Assistance (IPA), owing to Türkiye's participation in the Interreg NEXT MED and Interreg NEXT Black Sea Basin programmes.

Cross-border cooperation is a key element of the EU's policy towards its neighbours, promoting cooperation between EU countries and neighbouring countries sharing a land or sea border. CBC contributes to sustainable development along the EU's external borders, and helps reduce differences in living standards and address common challenges.

Cross-border cooperation programmes have brought relevant and valuable support to regions on both sides of the borders. This report illustrates the benefits and challenges of working together. It also highlights the role of the European Union in the development of border regions.

The report turns the spotlight on cross-border cooperation following the dramatic developments in Ukraine. As a result of Russia's war of aggression against Ukraine and Belarus's support of that aggression, the implementation of the ENI-CBC programmes with Ukraine, Moldova, Russia and Belarus has been significantly disrupted. The Commission has suspended all financing agreements with Russia and Belarus, meaning that no payments could be made to partners in Russia and Belarus after the hostilities began. Mitigating measures have been adopted at EU level to establish the specifics of the programmes experiencing 'implementation disruption', thus allowing these cross-border programmes to continue solely on Member State territory.

The COVID-19 pandemic has also led to cancellations or delays in some projects. Since cross-border regions suffered severe consequences following the introduction of restrictive measures due to the pandemic, project implementation has often been uneven and deadlines have been postponed.

Your rapporteur proposes an INI report divided into 7 chapters which seek to present the key features of cross-border cooperation in the light of the most recent events.

The report begins by presenting some key features of the Interreg NEXT programmes and the main changes as compared to the ENI-CBC programmes, such as the simplification of procedures through the alignment of Interreg NEXT programmes with Interreg programmes.

Your rapporteur also highlights the specific issues relating to cooperation with the Eastern Neighbourhood, stressing the importance of using the new Interreg NEXT cross-border programmes to deliver tangible projects that contribute to Ukraine's connectivity with the

¹ <https://op.europa.eu/webpub/eca/special-reports/cross-border-27-2022/en/index.html>

regions of the European Union and also make the transport of goods and grain more efficient. In addition, the report emphasises the importance of the programmes when it comes to post-war reconstruction.

In particular, the report covers the challenges of cooperation in the Black Sea area and the Mediterranean basin. Those challenges include issues such as regional development, the environment, transport infrastructure, migration and security. The report highlights the importance of the Interreg NEXT programmes both for managing migration flows and for achieving energy security.

Your rapporteur identifies administrative and language barriers and legal uncertainties as the main obstacles to project implementation. The uncertain political situation in many countries in the Mediterranean basin, the war in Ukraine and, not least, the current security situation in the Black Sea, are all serving to exacerbate the challenges to cooperation.

Last but not least, the **policy recommendations made focus on** greater complementarity between projects and synergies between funds, as well as the maximum simplification of procedures.

Your rapporteur believes that the Interreg NEXT programmes are not just an opportunity to contribute to sound cooperation between border regions, but also have what it takes to address the real challenges facing contemporary society, be this the war in Ukraine or migration issues in the Mediterranean basin.