

## **Position Paper of EUSDR Priority Area 10 on macro-regional strategies and Local Actors in a reformed Cohesion Policy in the next funding period of the European Union 2020+**

Macro-regional strategies (MRS) can play a crucial role in supporting the necessary investments in infrastructure, economic development, human capital and strengthening institutional and administrative capacity in the EU, its less developed regions and its neighboring countries through their cooperation structures. Their development of sustainable initiatives, projects and investments, especially in less developed regions, can be a key factor for fostering European social, economic, and territorial cohesion if they involve stakeholders and actors in and from all sectors and levels of governance relevant for regional development in the respective macro-regions.

Macro-regional strategies are based on the principles of no new EU funds, no additional EU formal structures and no new EU legislation, and are an instrument for optimal use of existing financial resources, better use of existing institutions and better implementation of existing legislation, but they can and should also become a laboratory for innovative European governance models for participative democracy and transnational cooperation.

The Commission's report to the European Parliament and the Council 2016<sup>1</sup> states that all four strategies face common and individual challenges and can be further developed, notably regarding governance, result-orientation, targeted and purposeful funding and communication as well as cooperation.

The report also mentions some challenges European funding poses to the implementation of macro-regional strategies and takes note of the fact that the overall financial resources allocated to the strategies' priorities remain insufficient, and that all relevant EU and national funding sources should be mobilized to ensure that adequate funding is available to implement the strategies and achieve the expected results.

The Commission invites the participating countries and regions to mobilize regions, cities, agencies and institutions such as universities, private businesses and civil society to participate in the implementation and development of macro-regional strategies.

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<sup>1</sup> COM(2016) 805 final

In the context of the European Commission report on the MRS and the ongoing discussions for the funding period 2020+, we would like to highlight a fundamental challenge to stakeholders in the Region. The most pressing needs of stakeholders in the Danube Region are the need for pre-financing assistance, for small-scale project support and for the facilitation of project preparation. Yet, existing programmes and ESI-Funds cannot fully address these needs and therefore miss to appropriately support relevant stakeholders - civil society and local actors - in implementing the targets of the macro-regional strategies.

In practice, this means that many local administrations, small and medium cities as well as large parts of civil society organizations are unable to participate in these programmes and cannot profit from exchange of knowledge, pilot projects, peer to peer learning, and cooperation. Eventually the lack of access to adequate funding result for these stakeholders makes their active involvement in the strategies, that is so highly needed almost impossible. This deficit in the financing scheme largely foils the Commissions invitation to the majority of local actors and civil society to participate in MRS.

Against this background, we join the BSSSC statement for reinforced instruments of shared management. European Policies will only be able to tackle their challenges if Local Actors are systematically involved in their implementation, making them more efficient and bringing them closer to Civil Society, thus showing the added value of Cohesion Policy.

In the Joint Statement of Ulm on the EU Strategy for the Danube Region the Ministers in charge of EU Funds, European Affairs or European Integration from the participating States and Regions and the European Commissioner for Regional Policy agreed in 2015 that better alignment of funds, the use of all possible funding sources on national, regional or local level in order to involve the key implementers of the macro-regional strategies is of crucial importance.

In line with the Joint Statement of Ulm, we support the position on the multi-annual financing framework post-2020 of the Free State of Bavaria, Land Baden-Württemberg, Land Tirol, Regione Lombardia, Regione Piemonte, Regione Autonoma Friuli Venezia Giulia, Regione del Veneto, Provincia Autonoma Bolzano/Bozen-Südtirol and Lower Austria to clearly underline the role of MRS as integral part of relevant EU, national and regional strategies and its need to be reflected in the future policy framework. This may also apply to programmes under the shared responsibility of EU and Member States as well as to financial instruments under EU centralized managements and programmes coordinated by non-EU

countries.

However, we are convinced that macro-regional strategies need to provide a tangible benefit to the participating regions and their citizens. This requires an optimal participation of these stakeholders in the strategies and coordinated use of available funding on all levels.

In the spirit of this declaration, we ask the European Institutions and the Member States

- To strengthen the links between the macro-regional strategies and EU funding sources, including ESI Funds as appropriate, both in the phase of designing and implementing the programmes. On one hand it would be important to further strengthen European Territorial Cooperation Programs' share in the future cohesion policy and ensure stronger flexibility with MRS. On the other hand, the transnational dimension of mainstream Operative Programs - which cover about 95% of cohesion policy - could be further strengthened and aligned with MRS.
- To explore possibilities for funding approaches at European level that allow for a flexible way to address macro-regional challenges.
- To further improve synergies between ESIF based programs and directly operated sectorial programs such as Horizon 2020, CEF and ERASMUS+.
- To fully explore the potential of participation of civil society in the framework of macro-regional strategies in terms of expertise, project development and mobilisation of stakeholders, e.g. via an open consultation procedure on the future of macro-regional strategies by the end of 2017.
- To enhance coordination and the exchange of information at all levels and adapt programs and funds to the needs of relevant stakeholders of the MRS. The funding schemes for MRS have to safeguard the basic needs and enable the functioning of multi-level governance and participation of non-state stakeholders including civil society.
- To include macro-regional key implementers and civil society in the elaboration of partnership agreements and shared management of funds
- To further the participation of Local Actors and NGOs by lightening the administrative burden involved with the implementation of transnational projects, especially for in transition, accession and neighborhood countries involved in macro regional strategies.
- To better use and further develop the existing formats of participation for Local Actors and Civil Society in the strategies.
- To include local actors and civil society in the elaboration and implementation of potential future macro-regional strategies.
- To develop tailor-made instruments for Local Actors and Civil Society

Organizations, which should include small project funds and seed money facilities.

- In the EUSDR, the Danube Investment Facility Initiatives (START, TAF, DFD, DSPF) were initiated by the European Parliament and the European Commission as pilot projects and widely supported by project promoters across the region. The positive results and experiences of these pilots could be extended to other MRS and should be capitalized in the next funding period.

**We suggest to support, in the ongoing planning of the European Cohesion Policy 2020+, the development of easily accessible and manageable funding instruments, including pre-financing models and project preparation for smaller projects, which would strengthen the involvement of local actors and civil society in the development of all MRS. Cohesion Policy can only be successful if civil society and local actors are granted the flexibility, trust and financial incentives they need to implement the goals of common European interest.**