



# The future of Territorial Cooperation in the Mediterranean

## *A political vision by the CPMR Intermediterranean Commission*

### Introduction

The EU and the Mediterranean countries and territories needs today, more than ever, consistent and powerful means to strengthen their cooperation, links and efforts on a series of key policies having a strong impact on the ground, contributing to a solid European Union project and a strengthened Neighbourhood space at its southern borders.

This Policy Position of the CPMR Intermediterranean Commission (IMC) intends to put forwards a series of recommendations and food for thoughts for the future of Territorial Cooperation in the Mediterranean.

The document is the result of several reflections of the IMC within its Working Group on “Territorial Cooperation and Macro-Regional Strategies” and of a specific survey sent to its regions, which are eligible as beneficiary in all the existing programmes and often also managing authorities.

The main messages and recommendations are included in the first part of the document, which is followed by a section including 3 scenarios that are based on those principles, proposing some “food for thoughts” to the EU Institutions and Mediterranean stakeholders.

In this document we refer to Territorial Cooperation in its wider definition, encompassing all the programmes under INTERREG and the European Neighbourhood Instrument in the current programming period, as well as all the programs that will be included under the future INTERREG, IPA III and NDCI instrument in the post 2020 period.

## The CPMR IMC policy position in a nutshell

### Summary of the main political messages

- Territorial Cooperation in its current architecture is having a huge impact on the Med regions, thus needs to be further valorised because entails a substantial EU added-value for regional development.
- The EU needs to keep capitalising the experience of past programs and conceive new ones adapted to the current and arising challenges, fully unveiling the territorial potential through Multilevel Governance.

### **Recommendations for the post 2020 period:**

- Keep putting the regions at the core of Territorial Cooperation and increase the budget and a co-funding between 85% and 90%.
- Keep boosting maritime cross-border cooperation, both internal and external, whether or not there is any fixed link, at Mediterranean level in sectors like maritime safety, blue growth, marine and coastal management and environmental protection.
- Favour an inclusive approach when defining the future architecture of territorial cooperation in the Mediterranean, avoiding jeopardising the good dynamics of cooperation already in place at basin level.
- Develop strong synergies between territorial cooperation programmes – through specific structured mechanisms - and between the programs and macro-regional and sea basin strategies.
- Facilitate synergies among territorial cooperation programmes, even addressing in the same programme(s) EU Med Member States, IPA countries & Mediterranean Partner Countries in a more systematic way.
- Set the conditions for more effective synergies between Interreg and the operational programmes of national and regional structural funds.
- Promote more complementarity between Interreg programs in the Med and other EU Funds/programmes.
- Implement Simplification, remove State Aid rules, exempt the islands from the 150-km rule and adapt the limits for coastal regions opening a reflection on this topic with the EC for a smooth definition of programmes' geography that could also consider the idea of «functional areas» for maritime cross border experimentation, both internal and external, whether or not there is any fixed link. A reflection on the criteria for the identification of cross-border perimeters must be launched quickly in order to avoid illogical situations.
- Consider the possibility for Territorial Cooperation and in particular the cross-border (land & maritime) cooperation to allow higher/significant investments in infrastructures, at least in the sectors where they are more needed on the ground and can be complementary to other EU programs.
- New performance, output, results indicators: improve existing ones & promote experimentation (e.g. links with SDGs).
- Set of specific messages concerning the EC proposal for the new ETC Regulation/budget (specific section)
- Promote the idea of a reinforced and co-owned CBC Med programme that could embed both bilateral (incl. maritime) and multilateral cooperation with non-EU countries at Mediterranean basin scale, a pilot (experimental) programme linked to the West MED maritime initiative and a Med Transnational EU programme open to a direct “project-based” participation of non-EU Mediterranean countries.

### **Three possible scenarios for the post-2020 period and beyond in the Mediterranean**

1. Realistic change scenario: similar architecture to the current programming with innovative tunings
2. Progressive change scenario: several sea basin programmes merging current transnational and cross-border maritime components with a strong coordination mechanism
3. Radical change scenario for the long-term perspective (beyond 2027): towards more unified programs with one main program involving all Mediterranean countries on a more systematised and wider scale?

# I. MAIN POLITICAL MESSAGES

The CPMR Intermediterranean Commission members, gathered on the 28<sup>th</sup> and 29<sup>th</sup> of June 2018 in Patras (Western Greece):

1. **Observe** that Territorial Cooperation - in the last programming periods and in the 3 current modalities – had a great impact on the regions members of the CPMR IMC: giving effective responses to overcome concrete cross-border issues, testing pilot projects on the ground; creating solid networks of cooperation at public, private and human level; benchmarking successful experiences; boosting the quadruple helix synergies; promoting joint action plans and influencing public policies that have an impact on the territory and the citizens.

Territorial Cooperation, contributed to the essence of an open and collaborative Europe and boosted Mediterranean ties. The list of projects where CPMR IMC regions and the organization were directly involved is very long, nevertheless, much more can be done exploiting all this years of experience and that is why territorial cooperation deserves to be strongly supported in the post 2020 period, in the frame of a reformed Cohesion policy.

On a broader level CPMR recent analysis, including the point of view of a large sample of EU regions (managing authorities of programmes and beneficiaries eligible on several programmes), shows that ETC programmes bring a substantial EU added value for regional development: connecting people and territories, triggering innovative ideas, contributing to a more an integrated and united EU and unlocking regional potential in areas like Innovation, Transport/Accessibility, Climate, Energy, Environment, Sustainable Tourism and cultural heritage, Education, Health, Institutional capacity.

2. **Recognize** that many of the territorial cooperation programmes directly managed by some of the IMC CPMR Regions in the current programming period (Interreg MED, ADRION, MARITTIMO and other cross-border cooperation programmes, ENI CBC MED, among others) are proving to be successful and innovative at the same time, despite the difficulties they are encountering, triggering the territorial potential and the multilevel dialogue and cooperation among a wide community of key Mediterranean Stakeholders.
3. **Enlightens** that Territorial Cooperation is one of the most important EU instruments which is fully embodying the subsidiarity principle, implementing Multilevel Governance (MLG). Local and Regional authorities together (NUTS II and NUTS III levels) are directly participating in the programmes implementation and – in the case of the regions – directly involved in the conception of the strategy and the management of the programs. Regions and Local authorities have also a very impactful role in the cross-border component where they are the lever of a real bottom up approach. More in general these authorities are the back bone of vertical and horizontal dimensions of Multilevel Governance within Territorial Cooperation, the real glue with the wide range of territorial stakeholders and the national and EU/International institutions.

Through their experience as Managing Authorities, Regions have demonstrated their capacity to be a positive driver for a sound and effective MLG involving all EU, national, regional, local levels. Today many IMC regions are responsible for several Interreg and ENI CBC Programmes in the Mediterranean and the effective implementation of the programmes with an outstanding involvement of stakeholders, demonstrates that the regional level is the most relevant for ensuring the management of this kind of cooperation programmes.

4. **Underline** that some of these programmes are creating huge communities of collaborative actors giving a specific impulse to the linkages with emerging macro-regional and sea basin strategies and initiatives as well as towards the experimentation of practical synergies with mainstreaming programs.

A clear example is provided by the [Interreg MED](#) programme and its “communities” of horizontal projects linked to its Specific Objectives (e.g. on Biodiversity Protection, Sustainable Tourism or Blue Growth) or its project on governance in the Mediterranean basin “[PANORAMED](#)” with its multilevel partnership composed by Countries and Regions from 9 EU Member States and 3 States in Pre-adhesion and 11 associated international partners. PANORAMED aims at reinforcing the global Mediterranean governance through a collaboration and dialogue on specific themes (e.g. Tourism and Maritime Surveillance), a wide capitalization effort of EU programs’ results, specific tasks of liaising with emerging strategies and link with the mainstreaming programmes, and will boost the setting up of strategic projects for new shared priorities in the area.

5. **Stress** that - despite in the current context of EU budget negotiations cooperation across all types of European borders is called into question within the future of Cohesion Policy – Territorial Cooperation is clearly behind the rationale for the whole European union project and Euro-Med relations.
6. **Insist** that if the maritime cooperation will not be boosted, in the future maritime borders could cease being shared areas to become barriers to cooperation. 10 EU Mediterranean Member States, 4 Countries in Pre-Accession and 9 Mediterranean Partner Countries have a coastline and several of them are almost entirely maritime. Maritime regions, including islands, face numerous specific handicaps such as accessibility, the impacts of which are amplified by the existence of maritime borders. They therefore require special attention. Maritime Member States and regions of the Mediterranean must not be penalised because of their geographical characteristics, as this would increase even more regional disparities across Europe.

Beyond geographical considerations, the specific nature of maritime-related obstacles and opportunities calls for strong EU support in this area. This includes exploiting the potential of blue growth (such as marine renewable energies or sustainable maritime and coastal tourism), addressing also the specific impacts of climate change and biodiversity protection in maritime regions, boosting accessibility and promoting maritime safety and managing the maritime space through specific instruments (e.g. ICZM and MSP). All these issues can only be tackled effectively through maritime cooperation.

7. **Acknowledge** the Multiannual Financial Framework (MFF) proposal and the specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments, that were recently published by the European Commission, with some specific appreciations and reserves.

For all these reasons, **the CPMR Intermediterranean Commission asks the EU Institutions:**

8. **To keep putting the regions at the core of Territorial Cooperation programmes and in particular in the ones that will concern the Mediterranean.** Cohesion Policy programmes are based on shared management, multilevel governance and the partnership principle. These features are even more important as regards cooperation programmes, which involve a great variety and number of stakeholders from different regions and countries (in the Mediterranean even EU third countries). The success of cooperation lies in a multilevel, bottom up participation approach, the involvement of citizens, local and regional authorities, a solid place-based approach and the ownership of the programmes by the different actors across borders.

In the future, the place-based approach of Interreg programmes should be preserved by a strong alignment of thematic focus to territorial needs and the local context. The recent [CPMR analysis](#) on

current Interreg implementation in the regions' views (link) shows an interesting set of policy areas that the future programs could cover for CBC, transnational and interregional cooperation.

9. **To ensure the Territorial Cooperation will have an adequate budget to its mission and challenges in the EU territories, higher** in absolute terms than in the current period, as well as a higher share of the Cohesion Policy Budget in the post 2020 period and a higher share for the programmes concerning the Mediterranean.

The budget line for INTERREG proposed by the Commission was reduced the most by Member States during the negotiations of the last two programming periods within Cohesion Policy. A Commission proposal with an already reduced budget for the post-2020 period is threatening the very existence of ETC and reducing the opportunity in areas where they are most needed, like the Mediterranean. There is no other policy instrument that exists to foster cooperation across European and Mediterranean regions, it should thus be preserved.

10. **To grant a co-funding rate for territorial cooperation programs between 85% and 90% (as in the current period) coupled with more pre-financing.** A high co-funding rate and pre-financing facility constitute the base for ensuring the participation of a wide range of territorial stakeholders including the local and regional authorities. Lowering it down to less than 80% would kill the possibility for these authorities to participate in conditions they can afford and privilege only the richer or financially healthiest administrations and stakeholders.
11. **To keep boosting maritime cross-border cooperation both at EU and Mediterranean level (internal and external).** This should be reflected in the architecture of the future programs as well as in the budget. Maritime cross-border cooperation in the Mediterranean, internal and external, whether or not there is any fixed link, is crucial to improve strategic issues connected to the opportunities linked to the sea: maritime safety, boost blue growth (including maritime and coastal tourism), improve marine and coastal management and environmental protection.
12. **To adopt an inclusive and integrated approach when defining the new geography of the Mediterranean programmes in the post 2020 period,** and ensure that the dynamics of cooperation promoted in the past and present programming period are not broken or jeopardized (e.g. the possibility to cooperate between actors from the Western and Eastern part of the Mediterranean through the transnational programmes like Interreg MED).
13. **To further promote the direct involvement of IPA and Mediterranean Partner Countries in the future Territorial Cooperation programmes in the basin, as well as foresee flexibility rules and an adequate budgetary margin** (e.g. 20% of the programme's budget) for granting the potential participation in projects of actors with legal headquarters out of the official eligible areas of the programmes (e.g. the case of the CPMR and its Intermediterranean Commission).
14. **To maintain a margin of flexibility in the objectives and the programmes setting up** based on regions' needs in the participating countries of the programmes.
15. **To implement simplification to fully unveil the potential of the territories.** A better involvement of regions and stakeholders must be accompanied by efforts to simplify Territorial Cooperation for managing authorities, beneficiaries and EU citizens (e.g. application process, expenditure management). Bureaucracy shall be reduced and procedures simplified (e.g. audit procedures, state aid, etc.) as it undermines the potential of the programmes.
16. **To remove in particular the State aid rules applying to Territorial Cooperation programmes.** The regime of exemption should be enlarged, simplified or even completely removed to promote a major mobilisation of private actors.

**17. To exempt the islands from the 150 km rule and to adapt/extend the limits for coastal regions.** This would also imply a serious reflection by the EC with the states and the regions on the future configuration of the programmes' geography. The idea of « functional areas» for maritime cross-border experimentation in specific territories in countries/regions should be also studied in relation with this kind of reflection and possible changes. The new arrangements should be the result of an attentive process that should try to be inclusive but at the same time pragmatic and realistic.

It is essential to launch a reflection on the criteria for the identification of cross-border perimeters, in particular for the islands, so as to define functional areas. Otherwise, the risk would be to have illogical situations. Besides, it is important to stress that cross-border cooperation is a very relevant scale since it enables to address very specific common issues in a particular area.

**18. To set the conditions for more effective synergies between Interreg and the operational programmes of national and regional structural funds.** The legal provisions and the incentives to facilitate transnational dimension of mainstream programmes should be improved. PANORAMED, with its approach and capitalisation process oriented towards mainstreaming funding programs, will be a good tool for studying complementarities and future arrangements, together with the possibility to set up in the regions “monitoring committees” dealing with more than one single fund, that would allow for more synergies also among the involved staff.

**19. To promote more complementarity between Interreg programs in the Mediterranean and other EU Funds and programmes** (H2020, Life, CEF, Erasmus+ and their successors in the post 2020, etc.). This is fundamental for a real capitalization effort, more synergies and integrated actions among key players, as for generating more impact on the ground, on policies and value for money. Complementarities can be boosted at practical level between programmes addressing the same themes from different angles and this goes hand in hand with simplification and harmonisation of rules. Moreover, as the IMC already pointed out in previous occasions, the extension of the eligibility of thematic programmes to southern neighbourhood countries shall be further encouraged by the EU.

**20. To consider the possibility for Territorial Cooperation and in particular the cross-border (land and maritime, both internal and external, whether or not there is any fixed link cooperation to allow higher/significant investments in infrastructures,** at least in the sectors where they are more needed on the ground and can be complementary to other EU programs, as accessibility/transport (including sustainable maritime transport/LNG, yachting etc.), marine energies, among others. Previous programming periods allowed to carry out several feasibility studies on infrastructures that are critical to improve the living conditions of citizens in cross-border areas. Therefore, it is now essential to finance these infrastructure projects, which besides could have a leverage effect, and avoid duplications of previous analysis and study works.

**21. To evaluate the possibility to improve or experiment new performance, output and results indicators.** Existing indicators shall be improved with statistics able to find out the principal aspects connected to the future objectives of the Territorial Cooperation, being more homogeneous for the territories interested by the programmes, disaggregated at NUTS II and III level when possible, and more available in correspondence of the principal calendar of implementation of the programs. Moreover, the future indicators shall also be more adapted to the specificities of the cooperation programmes and take stock of Open Data.

On a more innovative effort, and considering the themes that will be covered by the Territorial Cooperation Programs and the localization efforts concerning SDGs in the Regions and the local component of the Territorial Cooperation, the EC (especially for the CBC component) shall also explore the possibility to adapt the indicators in relation with the ones foreseen by the UN Agenda 2030 and the Sustainable Development Goals. Programs like INTERACT could start an exercise of assessment of the alignment of a sample of ETC Programs (in terms of Thematic objectives and investment priorities but

also examples of actions), in relation to the objectives and targets of the 2030 Agenda. INTERACT could also start an analysis of the set of indicators already defined by the Member States (and also at local /regional scale) to monitor national and local strategies connected to the 2030 Agenda.

**In relation with the specific provisions for the European territorial cooperation goal (Interreg) supported by the ERDF and external financing instruments in particular, the CPMR IMC:**

22. **Considers the budget proposed by the EC overall for the ETC highly insufficient.** 8.4 billion euro (2018 prices) in the EC proposal for the 2021-2027 programming period vs the current 9.7 billion (2018 prices and excluding UK for a fair comparison) for the period 2014-20 (decrease from 2.7% - excluding UK - of Cohesion Policy Budget to 2.5%). The increase from 21% to 31.4 % for transnational cooperation plus maritime cooperation in the new architecture with 5 components, is also considered very low if we take into account the proposed merging of components. More in general, moving from 3 strands to the 5 new components (including additional emphasis on issues like migration) with this budget proposal means that the EC is clearly proposing to do “a lot more with less”.
23. **Rejects the decrease from 85% to 70% co-financing rate for Interreg programmes.** This will jeopardize the participation of local and regional authorities and stakeholders.
24. **Rejects** the allocation method proposed for the European Territorial Cooperation Goal (Annex XXII - Article 9) and asks for more equitable criteria. Basing the allocation of resources for Member States on criteria as the regional population living within 25 km of the land border or of the border coastlines, means strongly favouring the Central European territories, highly populated, causing thus a serious disadvantage for Southern European and sparsely populated coastal peripheral maritime, as well as for mountainous cross border territories.
25. **Deem intriguing but not completely adequate and feasible in the short time (i.e. for the period 2021-2027) the idea of merging transnational and maritime cross border cooperation** in the new component 2 for the period 2021-2027, if this means to eliminate or reduce considerably maritime cross-border programs and the budgetary allocations. As stated in point 11 of this policy position, maritime cross-border programmes should be maintained or – if embedded in transnational programmes – they should include proper governance subcommittees dedicated to cross-border cooperation, involving regional authorities, with at least the same budget as the current period.
26. **Underlines the importance of the transnational component of Interreg at Mediterranean basin level** to foster synergies among different stakeholders, multilevel governance mechanisms and also to overcome the fragmentation between strategies and funding. These programs in the Mediterranean mean a potential for the implementation of emerging macro regional and sea basin strategies.
27. **Highly welcomes the specific mention to the strong links with the CBC under the NDICI and Interreg and calls for more flexible regulations.** This will hopefully open to more effective synergies among programs or even new joint programs, as the regulations governing the EU's future external financing instruments IPA III, NDICI and OCTP aim to establish clear rules to transfer part of their resources to Interreg programmes. Nevertheless, the base for concrete synergies must be a real common juridical and procedural ground governing and uniformizing the way of doing of the programmes that will use funds coming from different EU budget's headings and instruments. Therefore, programme's regulations for the next programming period should be more flexible and include, for instance, a specific article allowing the launch of experimental joint calls for proposals (ENI/Interreg), that would set a common co-financing rate.
28. **Fully supports the strong emphasis on the connection of the future Interreg programs (components 1,2,3) with emerging macro-regional and sea basin strategies** that should apply clearly to EUSAIR, but also to West MED and future complementary strategies that could emerge in the future to complete the

Mediterranean panorama towards an integrated strategy. **Show**, nevertheless, some reserves on the budgetary implications.

In the hypothesis the component 2 will be confirmed, **judge** possibly too high the hypothetical 70% concentration of the Union allocations for maritime cooperation on the strategies covered by the future programmes. It would be acceptable as long as a consistent margin of flexibility is left to reorient these allocations and as long the regions will be directly involved in such strategies. Idem for the 100% concentration for transnational cooperation directly linked to existing macro-regional strategies, which could be applicable for instance to the successor of Interreg ADRION programme. It is important to align the funding to the strategies but to save a certain margin of flexibility to cope with matters that were not foreseen in the regulatory phase and with new territorial needs that can arise.

**29. Considers that the mention to the 2 additional Interreg-specific objectives concerning “better Interreg governance” and a “safer and more secure Europe” are relevant.** Nevertheless, concerning the second as it refers to migration challenges, on the one hand the approach should be more oriented possibly towards the benchmarking of reception and integration policies among countries, regions and local authorities, avoiding a focus exclusively linked to security issues.

On the other hand, the EC should also take into account that it is possibly asking Interreg to do too much compared to the proposed budget and that on this topic the competence are mainly detained by the States, while the regions have not an homogeneous expertise and legal competence all over the EU and the Mediterranean. It is also to be underlined that the EC is proposing for the post 2020 period already several other instruments linked to security and migration (AMF, ISF etc.) where the States have a central role. Therefore, both, the complementarities and the added value of the contribution of Interreg shall be clarified.

Furthermore, the **Intermediterranean Commission**:

**30. Regrets** that in the current period the competent institutions were not able to set up and implement activities of Territorial Cooperation with Morocco (either via cross border programmes like “Mid Atlantic” that could not be finally launched, nor through a concrete involvement in the ENI CBC MED programme). Territorial Cooperation with Morocco is fundamental for several regions in the basin<sup>1</sup> as for the CPMR IMC that counts several members of this country and even for several emerging strategies (e.g. West MED). All the possible arrangements should be studied to ensure appropriated tools to develop programmes that can directly involve the actors of Morocco in the period 2021-2027.

**31. Stresses** the relative lack of opportunities in the current programming period for more bilateral cross-border cooperation among other states and territories in the basin (e.g. France and Algeria), and the good results of the current cross-border bilateral cooperation experience between Italy & Tunisia.

**32. Proposes**, on this base, to study the idea of building a future wider, fully co-owned, cross-border cooperation programme that can address at the same time the multilateral and the bilateral cross-border cooperation with non-EU countries of the Mediterranean (e.g. the successor of current ENI CBC MED could be able to embed both components bilateral and multilateral). This programme could also evaluate the possibility to widen its geographical scope especially in the southern participating countries to include more inland territories.

**33. Promotes** the possibility to set-up an additional specific pilot (experimental) programme for multilateral cooperation, strongly linked to the West MED maritime initiative. Whether the programme could be foreseen as separated or integrated in the successor of ENI CBC MED (e.g. a specific “Window”), it

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<sup>1</sup> Particularly with Andalusia which shares 14 km of maritime borders. As an example: 92 cooperation projects have been implemented between Andalusia and Morocco during the previous programming period.

should act in close coordination with the West MED Steering Committee and the regions should play a key role in its implementation.

34. **Supports** the idea of a new Interreg transnational cooperation programme for the Mediterranean (e.g. the successor of current Interreg MED) that can be concretely open to the participation (e.g. full partnership in the project proposals) of actors coming from non-EU Mediterranean countries (all IPA Countries and Med Partner Countries). Non-EU partners would be eligible for partnerships in projects (e.g. in order to test and capitalize Interreg MED past and future results) without the need of including the representing institutions of the above-mentioned countries in the governance mechanism of the programme itself, which would be continuing to be steered by the 10 current EU Mediterranean and 3 IPA partner countries.

35. **Promotes** the importance of the Integrated Territorial Development (ITD) approach to public services and the need to fund more actions dealing with capacity building of local and regional authorities at Mediterranean scale through the future programmes of Territorial Cooperation, which would lead to a more informed, performing and participatory policy making and a greater impact on the sustainable development of the basin.

## II. POSSIBLE SCENARIOS FOR TERRITORIAL COOPERATION IN THE MEDITERRANEAN

The CPMR IMC sees the followings **three** scenarios for the future of Territorial Cooperation in the Mediterranean after 2020 and beyond, compatibly with the degree of ambition of the EU Institutions, involvement of the key stakeholders and real feasibility.

The scenarios are foreseen as “food for thoughts” for the regions and the EU institutions and countries to take the best decisions that could possibly maximise the impact of the EU action and the added value of cooperation and partnership on the ground.

Furthermore, and whatever the final architecture and geography of the future programmes will be, they include arrangements that are fundamental for the regions and their citizens, in order to ensure their active participation and benefit, fully unveiling the territorial potential.

### **SCENARIO 1 – Realistic change scenario: similar architecture to the current programming period with innovative tunings**

If the European Commission would slightly re-consider the architecture included in its proposal of the 29/5/2018 or to modify/adapt the component 2, we could imagine a quite similar scenario to the current programming period, with the **separation of cross-border maritime cooperation from the transnational strand or in any case an intelligent and coherent integration**.

This proposal is strongly backed by many CPMR regions that fear to lose the added value and impact of this typology of cooperation, with all its funding implications (the current EC proposal would mean for many regions an enormous funding reduction and less tools to cooperate for their local stakeholders). This scenario would thus present a similar geography of territorial cooperation programmes in the Mediterranean to the period 2014-20 but with some fine tunings and slight mergings.

For instance: **rationalising some cross border programmes**, avoiding overlappings and considering thematic and geographic adaptations; using the principles of specific “**functional areas**” where cross border maritime cooperation would be considered fundamental on a series of pre-identified themes, built on common needs and assets; foreseeing more structured synergies with emerging strategies; and all the

possible improvements concerning the place-based definition of the programmes' strategies and objectives; simplification; indicators, etc.

An element of great – but more realistic – innovation in this scenario could be **the possibility to boost the main current Interreg transnational programmes and ENI CBC MED with some arrangements**. As an interesting possibility:

- **ENI CBC Med could remain the main CBC programme in the wider Mediterranean area** (under the future NDICI), being fully co-owned at a governance level by the non-EU countries, embedding a strong maritime focus but not limiting its strategy only to this thematic sphere, and at the same time both the multilateral and bilateral cross-border cooperation components. This would enhance the current cooperation with non-EU countries, granting also bilateral, trilateral and even south-south cooperation, where most needed, consolidating a common way of doing and improving capitalization from one period to the following one. Of course, the budgetary envelope should be appropriated (increased) to the challenge of merging the multilateral and bilateral component of CBC and possibly the eligibility of areas should be adapted, granting a margin for flexibility.
- **Interreg MED could remain the unique EU transnational programme addressing all the basin**, addressing territorial development and maritime issues in an integrated way but allowing the direct participation in projects to the actors coming from non-EU countries, in order to increase capitalization, transference and testing of results and searching for more complementarities with ENI CBC Med, other programmes and emerging strategies and initiatives at wider Mediterranean level. In this case Non-EU partners would be eligible for partnerships in projects but the representing institutions of the above-mentioned countries would not be directly included in the governance mechanism of the programme itself, which would be continuing to be steered by the 10 current EU Mediterranean and 3 IPA partner countries. The budget for this programme should be surely increased and balanced also by IPA contribution.
- **Interreg ADRION could be boosted as the main transnational cooperation programme of the EU Strategy for the Adriatic Ionian Region**. The programme is closely linked to the enlargement process with the Western Balkans through the involvement of 4 EU countries and 4 countries not yet part of the EU (candidate and potential candidate countries). For this reason, the total budget of the programme must be increased and the financial contribution of IPA III fund must be equalized to the ERDF resources to make possible the development of projects truly integrated between EU and non-EU regions. Geographically, ADRION includes a macro region named after 2 seas (Adriatic and Ionian), but at the same time covers important terrestrial areas (e.g. Serbia that is not touched by the sea and Bosnia Herzegovina that has only about 20 km of coastline) and treats marine, coastal and terrestrial areas as interconnected systems.

On the other hand, there would be a need to slightly rethink and possibly rationalize the overlapping/co-existing IPA and CBC and transnational programme in the Adriatic-Ionian/Eastern area.

Surely, all these programmes should **boost their operational, thematic and budgetary links with the emerging strategies and initiatives** meant to improve Mediterranean cooperation and governance (e.g. EUSAIR, West MED, BLUEMED, etc.).

An interesting and promising option would be to set up also a **specific pilot programme for multilateral cooperation, to be funded under the NDICI and the Neighbourhood Policy, being strongly linked (even if with a margin of flexibility) to the West MED maritime initiative**. This programme could have a significative funding (e.g. 40-60 M euro) and concretely help implementing the Framework for Action of the Initiative on the ground. Whether the programme could be foreseen as separated from the ones already existing/mentioned or integrated (e.g. as a specific “window” of ENI CBC MED), it should be strongly asked, backed and act in coordination with the West MED Steering Committee. Regions should play a key role in the presentation and implementation of projects to the call for proposals that should be tailored mostly on

West MED priorities, even if a margin of flexibility shall be preserved in order to adapt better to the needs of the area during the programming period.

This being said, in this scenario the EU should foresee a **solid mechanism of coordination between transnational and cross border programmes** (especially between the successors of Interreg MED, ADRION and ENI CBC MED, including the potential West MED pilot programme) that should not be only based on voluntarism. Mechanisms for dialogue among secretariats and programming committees as well as for “experimentation” in joint or coordinated calls should be evaluated from the very initial stages of definition of the new programmes strategies and EU regulations should foresee the right arrangements. As stated in point 26 of this policy position, programme’s regulations for the next programming period should be more flexible and include, for instance, a specific article allowing the launch of experimental joint calls for proposals (ENI/Interreg), that would set a common co-financing rate.

**Another option could foresee the maritime cross-border cooperation component integrated into transnational programmes but** ensuring at least the **same global budget** assigned in the current programming period and the creation of **subcommittees** dedicated to cross-border cooperation, including regional authorities as a cornerstone of their governance mechanisms (see policy message n. 24).

All these proposals are quite realistic from the point of view of timing, because they would grant a relatively quicker start of the new phase in the post 2020 period. A more profound modification of the architecture of Territorial Cooperation and geography of programmes in the Mediterranean would cause more delays that the Mediterranean cooperation probably cannot afford. Nevertheless, this scenario should be seen as a step towards more unified and coordinated programs in the future, a reflection that should not stop during the current and future programming periods.

## **SCENARIO 2 – Progressive change scenario: the new EC’s proposal merging current transnational and cross-border maritime components with some “must”**

If the architecture recently proposed by the EC with its 5 new components will be confirmed we could think about a “progressive change scenario” that would imply quite profound changes in the geography and way of doing of existing programmes. In practice, **three new sea basin programmes could co-exist** at Mediterranean level (merging current transnational and cross-border maritime component) with **other (few) land cross-border programs**.

There could be 3 sea-basin programs in the Mediterranean:

- one for the **Western Mediterranean area**, linked to the West MED maritime initiative,
- another for **the Adriatic Ionian area**, linked to the EUSAIR and
- a third one for the **Eastern Mediterranean**, with no sea basin or macro-regional strategy of reference for the time being.

In this hypothesis there are some important elements that the EU and the Med operators should consider for the implementation:

- There would be the **need to create sub programmes (or similar) to grant the possibility for maintaining cross border maritime cooperation** between entities of 2, 3 or more countries (and possibly also more reduced Steering Committees). This should be defined and structured at the beginning and based on studies that can take stock of the recommendations, reflections and results of existing CBC programs.
- The **setting up of a real coordination and complementarity/liasing mechanism among sea basin programs** should be defined before the programmes start, to structure sound relations and solid synergies in calls, partnerships/consortia, application of the rules, thematic/content

complementarity, capitalization, creation of communities etc. This cannot be based on mere voluntarism but shall be foreseen in the regulations and implemented consequently (e.g. who will steer the coordination shall be defined from the start as well as the authorities in charge of animating these synergies and a concrete calendar. Regulation should be clear and at the same time flexible enough to adjust to forthcoming needs of the programmes). In this sense we cannot afford to break the good dynamics created by the current programmes that allow to cooperate at basin level.

- A **“repackaged” Mediterranean in 3 (larger) sea basin programmes, would be pointless without the full participation of the IPA and the southern non-EU partner countries (Mediterranean Partner Countries)**. This is even more relevant if the idea is to align programmes with emerging strategies. So, each one of the 3 hypothetical programmes should involve the corresponding IPA and MPC in order to cover all the basin. Nevertheless, the basis for concrete synergies must be a real common juridical and procedural ground governing and uniformizing the way of doing of the programmes that will use funds coming from different EU budget’s headings and instruments.

In this scenario an overall (only) maritime territorial cooperation program (new component 2B) for all the Mediterranean would lack possibly of sense or should be arranged in a very **complementary** way to be coherent. The same could be said for a possible unique (additional) programme only addressed to IPA countries.

In any case all the programmes should be **“regions friendly”** and ensure flexibility and simplification and work hard on the **co-ownership** of non-EU countries.

The **lack of existence of a strategy for the Eastern part of the Mediterranean** is also an element that possibly shows that this scenario would need further work at governance level to be put into practice in a reasonable timing that would not jeopardize the current flow of Mediterranean cooperation.

### **SCENARIO 3 – Radical change scenario for the long-term perspective: towards a more unified Mediterranean cooperation?**

This scenario seems very radical and surely premature for the next programming period. It could be foreseen in the long term, if the architecture proposed by the EC with its 5 new components and provisions concerning the funding coming from the NDICI will be confirmed and made further evolve in the 2021-2027 programming period.

In this perspective, for the long term (post 2027), with a clear common juridical base for ERDF and the funds for CBC under the Neighbourhood Policy, we could think about a more ambitious and innovative set-up with a radical change towards more unified programs for Territorial Cooperation.

For instance, with one **main program involving all Mediterranean countries on a more systematized and wider scale**, towards an **integrated (macro-regional/sea basin) strategy** (which is still absent).

The premature nature of this scenario it is clear if we merely consider the administrative timing of a set up like this and what it could imply at a practical level in term of coordination with a large number of countries and regions to involve in the governance mechanisms. It seems in any case an interesting option to reflect upon for improving the long-term cooperation and the Mediterranean ties in a stronger and integrated way.

We could even think about:

- **one single program that can combine transnational and cross-border maritime cooperation** with the same arrangements described in scenario 2, with a very high budget, around 1bn euro budget or more and a wide inclusive governance based on co-ownership of all participating countries.

- Another option could be to **set up 3 transnational programs similar to scenario 2, minimizing the maritime/CBC component and maximising the transnational, plus 1 complementary single program focused only on maritime cooperation** (with the exemption of the 150km rule).

Also in these scenario/options, the programmes shall ensure flexibility and simplification and would have as main challenge the co-ownership of non-EU countries and the governance mechanisms.

Possibly in **the first option**, as the unique programme would have much more budget, the EC could foresee to reduce the administrative burden for the regions constituting a sort of central administrative Managing Authority, giving a specific supporting role to Euro-Mediterranean Institutions like the UfM and/or creating a specific ad hoc Managing structure or Agency. In this case the EC should set up a **governance of the programme able to respect the principle of subsidiarity and promote multilevel governance and the role and involvement of the regions** in the setting up and the implementation of the programme's strategy.

In this perspective and following the shared management and partnership principles, it could give to the **Regions** and other (State level for the MPC) entities all across the Mediterranean the **responsibility to manage and steer thematic (pillar?) antennas** (that would guide the programme's implementation from a content point of view) and **branch offices** (that would act as facility points for the mobilization of territorial stakeholders). This could perhaps boost the role of the region "content wise" /and as catalysers of stakeholders and discharge them of the administrative burden, allowing them to concentrate on the most important elements of Territorial Cooperation and boosting the links with their regional policies (including mainstreaming).

This is surely an excessive ambitious scenario for the time being but considered as an intriguing possibility for the programming period after 2027 in parallel with the path towards an integrated Mediterranean Strategy. What is sure is that **several geo-political issues shall be solved for this unique programme to work properly** and for this scenario to become a reality.

Looking over the current programming period but with an eye on existing programmes, some IMC Regions have a positive but at same time cautious view on the possible merging of Interreg MED and ENI CBC MED programmes. The EC's proposal for the ETC regulatory framework seems to leave the door slightly open - at least theoretically - to this and other possibilities of synergies under the Interreg hat for the future.

On the one hand: a merge would possibly increase the efficiency, transparency and impact of cooperation at basin level. This option would only make sense with a stronger financial commitment from the European Commission and a common regulation, simpler and flexible enough. Besides, it would work only if the "unique" Programme is thought not as EU programmes where the Mediterranean Partner Countries can participate, but, as a real common programme, drafted jointly. This common programme would be possibly more efficient, more transparent and would have a stronger impact at basin level, linking with all the emerging strategies and contributing to improve its governance in the long run.

On the other hand: there are several risks that could jeopardize this possible merge. The southern countries have a real ownership of the ENI CBC MED programme and this could be undermined with a "standard" merge if the setting up of the programme is not dealt in a true participatory way. At the same time, they have a lower knowledge or interest in Interreg MED programme as such. Therefore, as a first reaction, if this is not dealt properly, they may see the merge as a dilution.

Furthermore, such a program, first of all due to its bigger size, would need to review and improve its set up at management level.