



EU Budget for the future

Regional development & cohesion & cooperation

20 June 2018

#CohesionPolicy
#EUinmyRegion





Key themes

Modern

- *[Focus on smart, low carbon]**
- *[Enabling conditions, link to European Semester]*
- **text between [] and in italics not applicable to ETC*

Simple & flexible

- 50% shorter regulations
- 50 key simplifications
- Adapts to emerging needs (migration, economy)

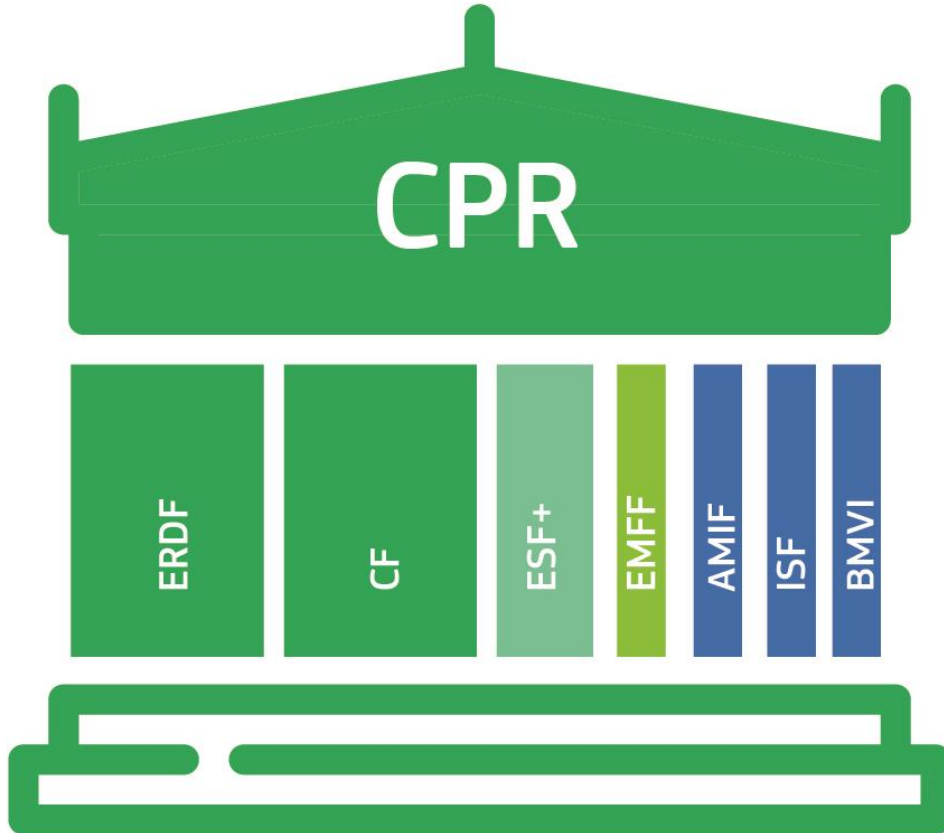
For all regions

- Objective method
- Present for emerging needs elsewhere

Legal architecture



7 funds, 1 Regulation



CPR covers delivery.
1 set of rules is:

- More coherent
- Simpler to learn
- Simpler to combine



5 key legal instruments

Common Provisions Regulation (CPR)

- Covers 7 funds, i.e. ERDF, CF, ESF+, EMFF, AMIF, ISF and BMVI
- Delivery elements are here

ERDF/CF Regulation

- Cohesion policy priorities are here (e.g. specific objectives and thematic concentration requirements)
- Scope

ESF+ Regulation

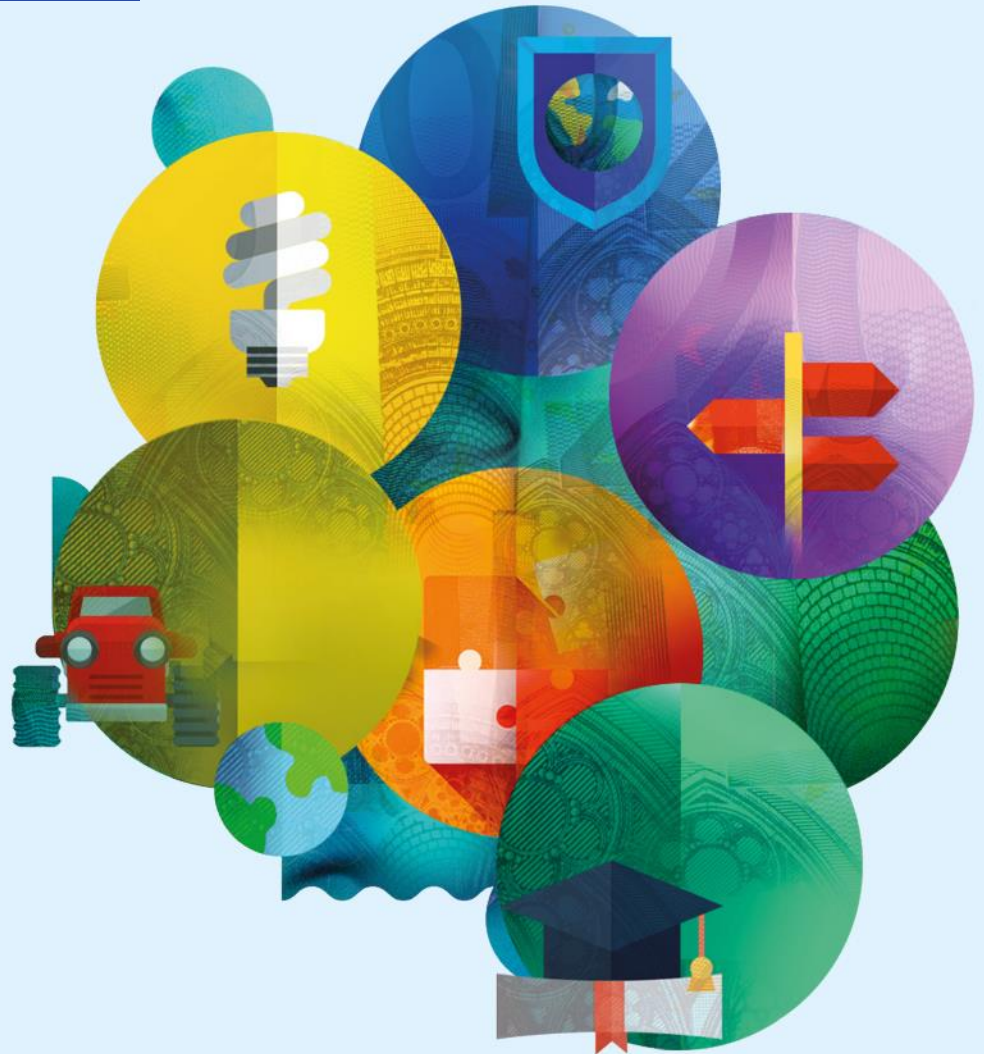
ETC Regulation

- Territorial co-operation including external assistance
- New interregional innovation investments

ECBM Regulation:

off-the-shelf legal instrument to simplify cross-border projects

Shorter modern menu of priorities





Global policy objectives

11 objectives are simplified and consolidated to 5:

1. A smarter Europe (innovative & smart economic transformation)
2. A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)
3. A more connected Europe (mobility and ICT connectivity)
4. A more social Europe (the European Pillar of Social Rights)
5. A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)

Horizontal issues:

- administrative capacity building,
- cooperation outside the programme area [mainstream!]



5 + 2 Interreg-specific objectives

1. A smarter Europe (innovative & smart economic transformation)
 2. A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)
 3. A more connected Europe (mobility and ICT connectivity)
 4. A more social Europe (the European Pillar of Social Rights)
 5. A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)
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1. A better Interreg governance
 2. A safer and more secure Europe

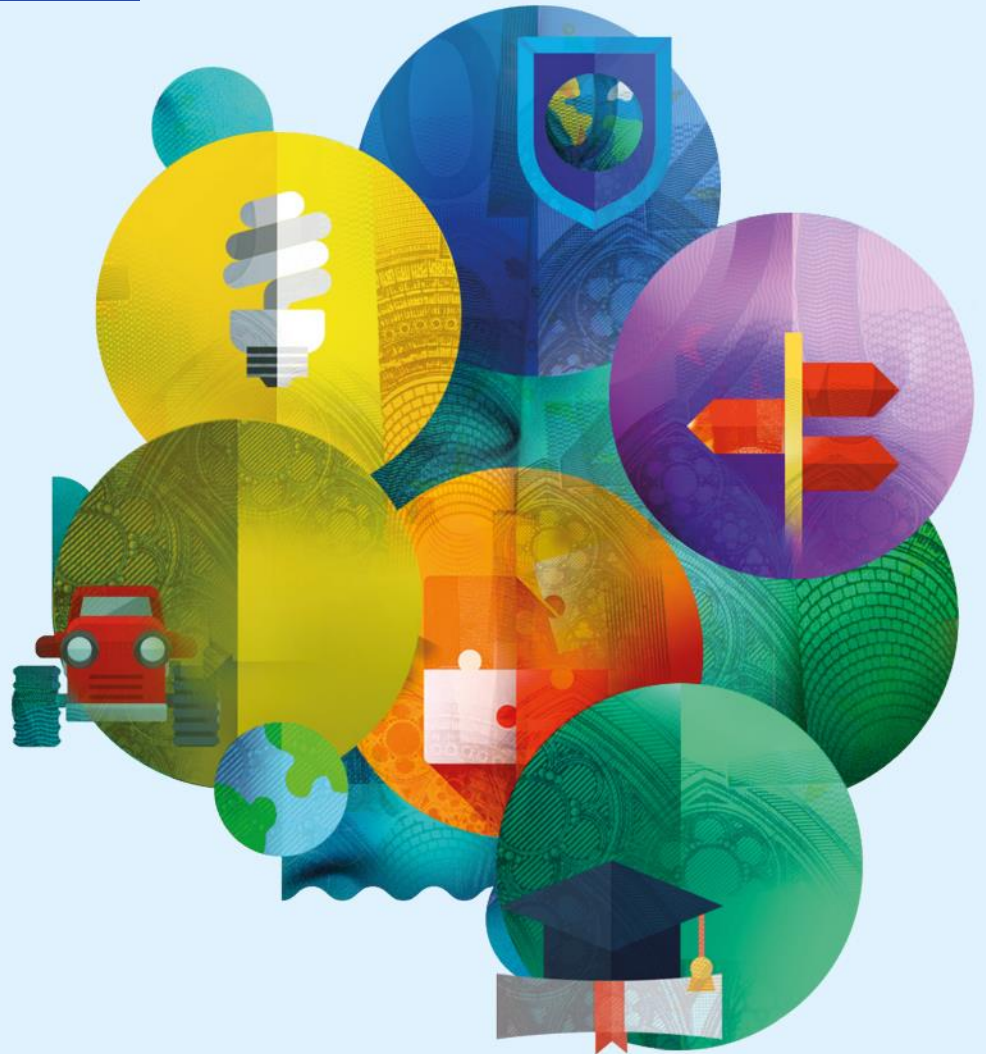
5 Components of Interreg

- **Cross-border cooperation (component 1)**
internal: NO, CH, LIE, UK, AND, Monaco
external: IPA CBC, Neighbourhood CBC
NUTS 3
- **Transnational cooperation and maritime cooperation (component 2)**
2A Transnational cooperation
2B Maritime cooperation
NUTS 2, but additional NUTS 3 allocation for maritime CBC
+ third and partner countries + OCT Greenland
- **Outermost regions cooperation (component 3)**
(with cooperation outside EU: NDICI and OCTP)
- **Interregional cooperation (component 4)**
 - INTERACT (plus)
 - ESPON
- **Interregional innovation investments (component 5)**
direct management

THEMATIC CONCENTRATION

	Percentage	On what?
Components 1, 2 and 3	At least 60%	Maximum of 3 out of 5
Components 1, 2 and 3	Another 15%	Better Interreg governance or Safer and more secure Europe
2A Transnational supporting MRS	100%	Objectives of MRS
2B Maritime supporting MRS or SBS	At least 70%	Objectives of MRS or SBS
Component 4	100%	Better Interreg governance

More flexible policy

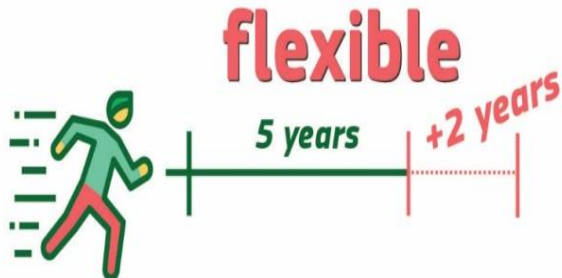


Flexibility

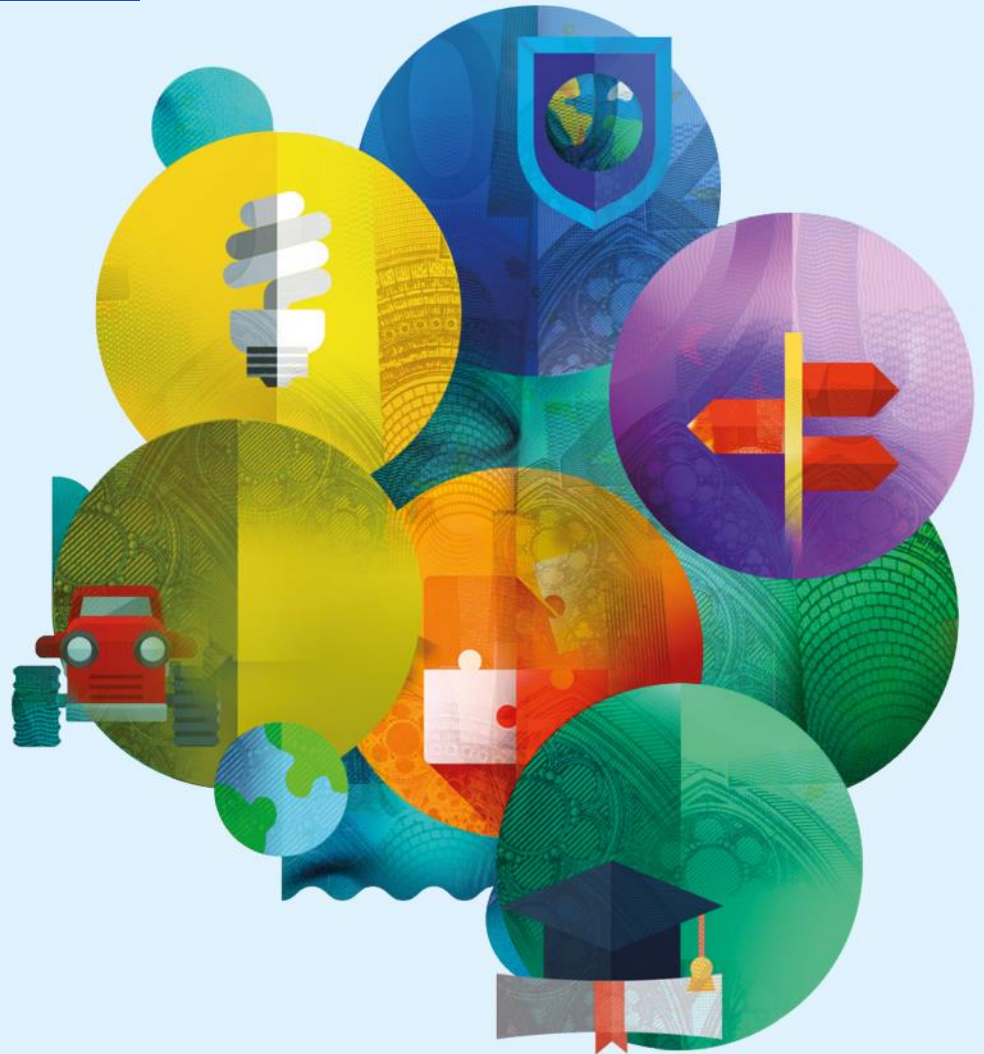
- Each Member State may transfer up to 15 % of fc allocation between components 1 to 3 (Article 9(4) ETC)
- **NEW!** Transfer of up to 5 % of initial allocation of a priority (with 3% of total programme budget ceiling) – it does not require an amending decision of Commission

Mid-term review (Article 14 CPR)

- Flexible programming adjusted to new challenges and emerging needs in a fast changing world
 - **NEW!** Allocation of financial resources for 2026 and 2027 – '5+2' programming → no performance reserve!



Faster and simpler delivery

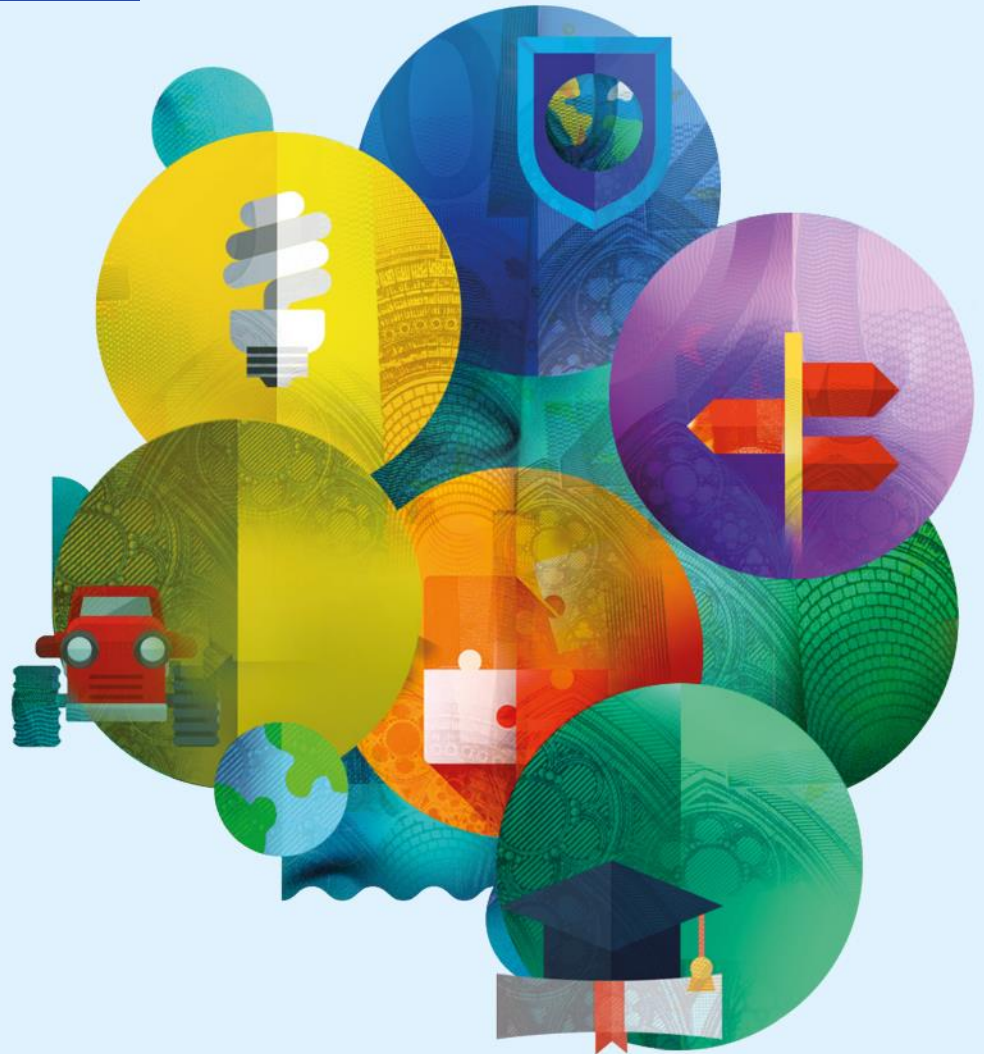


Lower co-financing rates

Ceiling	Applies to
70%	Less developed regions Outermost regions Cohesion Fund Interreg
85%	IPA-CBC, Neighbourhood CBC
55%	Transition regions
40%	More developed regions

"Quid pro quo": VAT eligibility
Specific rules for revenue generating projects

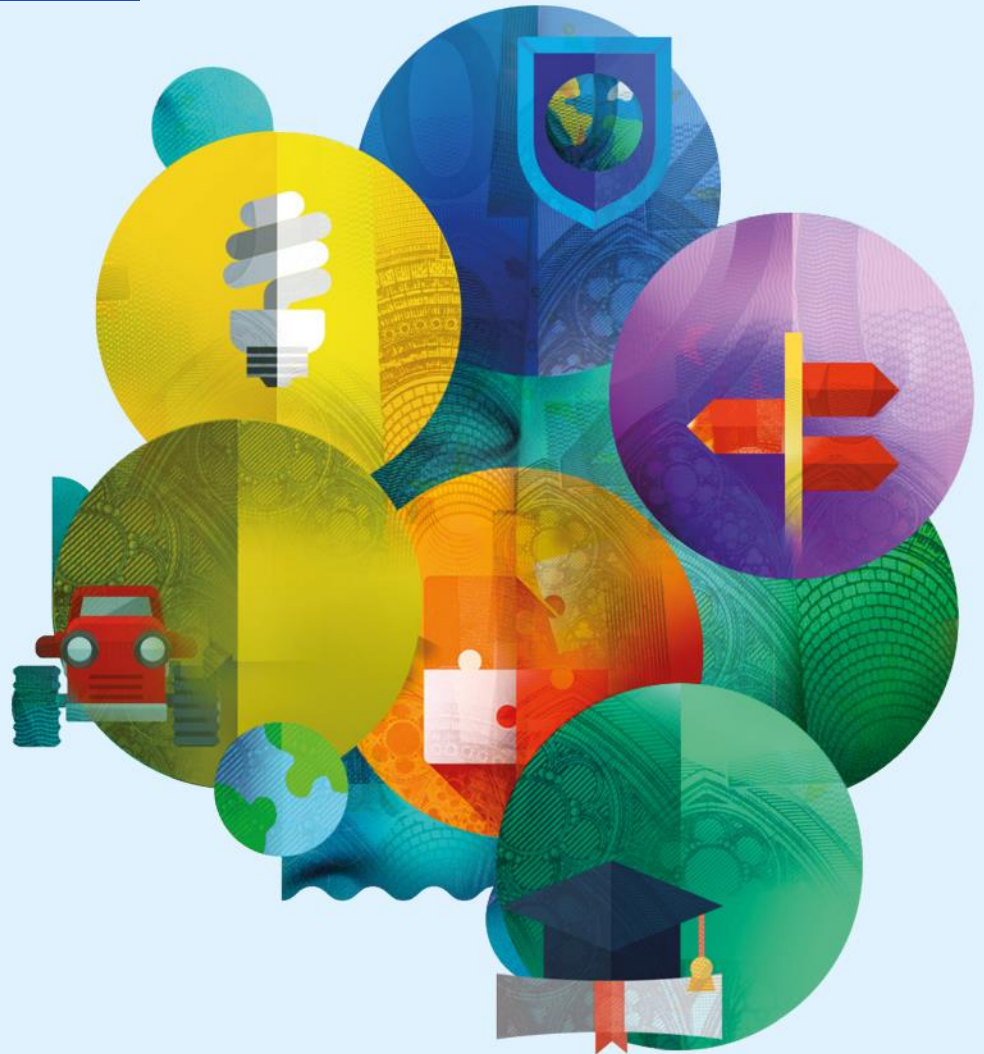
Simpler management, control and audit



Simpler management and control

- No designation procedure: roll-over of existing systems
- Fewer layers of control: Certification Authorities replaced by an accounting function which will not duplicate controls
- Fewer verifications: Currently 100% of payment claims covered by administrative verifications, in future risk-based sample
- Simpler process for acceptance of accounts
- Clarity on document retention period for beneficiaries (5 years from end of year with last reimbursement)

Communicating cohesion policy



Communication and visibility

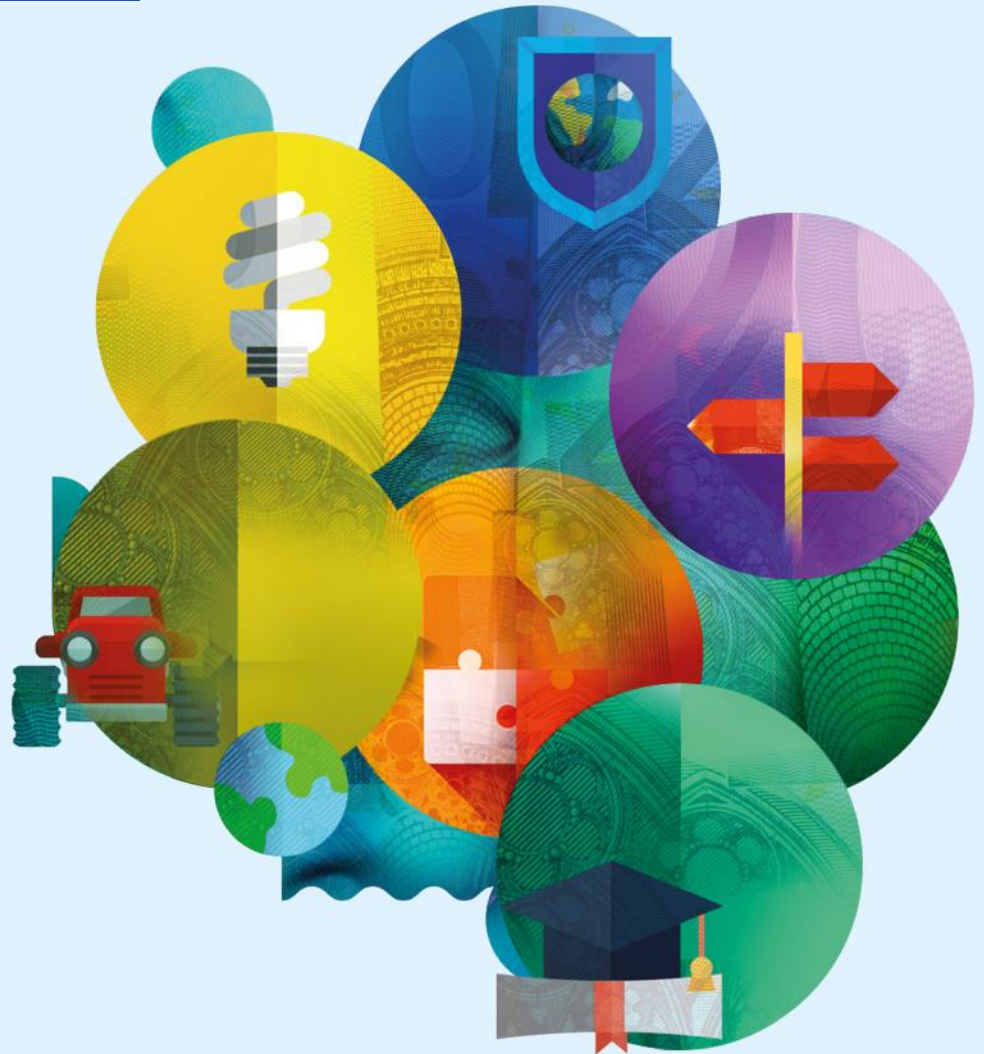
Visibility of support from the Funds (Articles 41 to 43 CPR, Annex VII)

- Harmonized EU rules
- Special visibility for operations of strategic importance and operations above EUR 10 million
- Single website portal providing access to all programmes
- Communication coordinators in MS and programme communication officer

Transparency and communication (Articles 44 CPR and 35 ETC)

- 'Interreg' branding (Article 35(4) ETC)
- Obligations also for small project final recipients (24(3) and 35(5))

European Cross- border mechanism (ECBM)



European Cross-border mechanism

Voluntary instrument, but effective system on each border obligatory! (4)

Cross-border Coordination Points at national/regional level (5+6)

Commission Border Focal Point (7)

Step 1 – Preparation and submission of initiative document (8+9)

Step 2A – Preliminary analysis by committing and transferring MSt (10+11)

Step 2B – Follow-up (12)

Step 3 – Preparation and conclusion/signature of ECBC/ECBS (13-17)

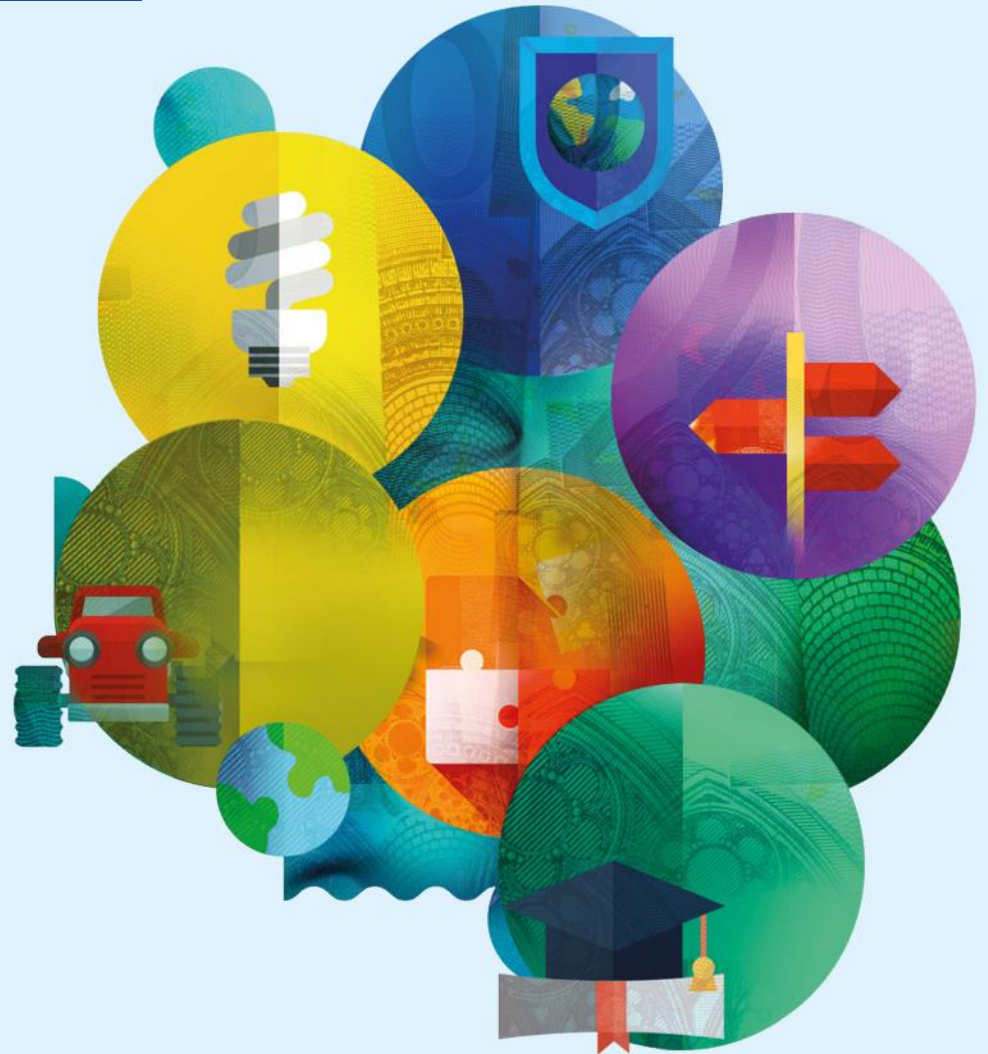
Step 4 – Implementation (18+19)

Step 5 – Monitoring (20)

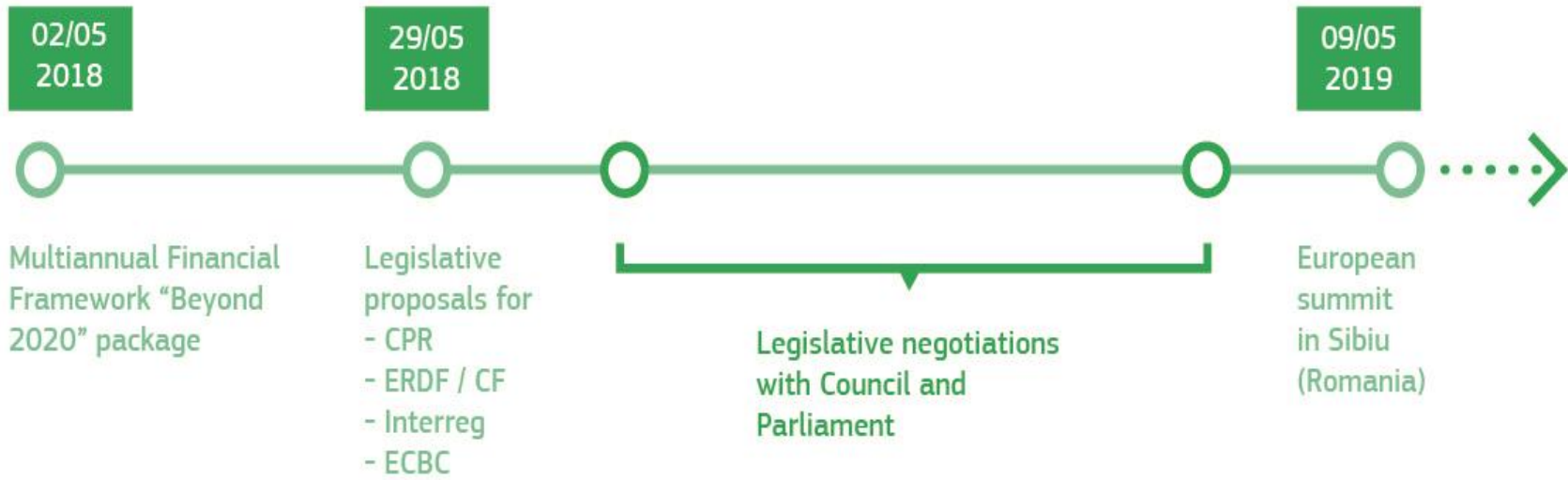
Legal protection (21+22)

Final provisions (23-26)

Next steps



Timeline



**Thank you for your
attention!**

