

The Post-2020 Pyrenees-Mediterranean Euroregion

A political vision of the Pyrenees-Mediterranean Euroregion on the multiannual financial framework projects and regulations 2021-2027

The Pyrenees-Mediterranean Euroregion (PME), one of the first Euroregions in Europe created in the form of European Grouping of Territorial Cooperation (EGTC), is fully integrated into European priorities. Over the last 10 years, the PME has acquired a unique governance experience in terms of the use of both sectoral and territorial European funds and of management of European and regional scope projects. As a major actor in European regional policy, the PME is a key herald of EU values in its territory. In this framework, the PME wishes to assert its post-2020 positioning and therefore participate in the debate on the future of Europe.

Presentation of the Pyrenees-Mediterranean Euroregion

The Pyrenees-Mediterranean Euroregion is a territorial cooperative political project founded in 2004 with the support of the European Union. It is made up by the Government of the Balearic Islands (ES), the Région Occitanie (FR) and the Government of Catalonia (ES). The Pyrenees-Mediterranean Euroregion has a roadmap for the period 2018-2020 whose main objectives are:

- Act with and for citizens;
- Develop the Euroregional innovation ecosystem;
- Contribute to the sustainable development of the area;
- Deepen the Euroregional identity.

Given their demographic, economic and territorial scope, the Euroregion's partner institutions today play a major role in Southern Europe and constitute a territory in which 14 million people live and where it is possible to pool resources and intensify complementarities.

This Euroregional cooperation took a step forward in 2009 with the creation of an EGTC, when the Euroregion decided to resort to this community law legal structure to endow itself with the means to carry out common actions and projects and submit them in the framework of the European programmes. This EGTC, one of the first created in Europe and considered in 2014 by the Committee of the Regions as the "best European entity of territorial cooperation", has been a laboratory that has inspired others ever since.

The EGTC Pyrenees-Mediterranean has 5 work commissions in the fields of innovation and economic development, sustainable development, tourism, culture, and higher education.

The priorities of the Pyrenees-Mediterranean Euroregion

The Pyrenees-Mediterranean Euroregion rests on 3 main key principles whose aim is to permanently establish a Europe of proximity. They will guide the political investment and action framework of the EGTC:

- **Act with and for the territory** by proposing public policies adapted to the needs of the actors in our territories, and by demonstrating the added value of cooperation. In this respect, the partners of the Euroregion believe that insularity should be better taken into account in the preparation of EU policies.
- **Contribute to meeting European shared challenges** because the Pyrenees-Mediterranean Euroregion is also a unique opportunity to strengthen the European vocation of its territories to the benefit of its fellow citizens, and to gain recognition among the Community institutions. Its actions must contribute to the objectives of the post-2020 Strategy in terms of smart, sustainable and inclusive growth and fall within the framework of the European programmes.
- **Play an active role in the Mediterranean** because it is a suitable area in terms of growth and development and a vector of other potentials for the future, although it is not free of risks. The Mediterranean is the best asset of the Pyrenees-Mediterranean Euroregion, which today wishes to be recognised as a pertinent interlocutor in the debates that prepare future Mediterranean relations and in the cooperation actions underway not only on the southern shore but also with other Mediterranean regions.

Framework

On 2 May 2018, the European Commission presented “**A Modern Budget for a Union that Protects, Empowers and Defends. The Multiannual Financial Framework for 2021/2027**”, followed by joint proposals of regulation projects, notably on:

- ERDF and Cohesion funds.
- Specific provisions on the objective “European territorial cooperation”
- The mechanism to overcome the legal and administrative obstacles in the context of cross-border cooperation.
- The provisions related to the Horizon Europe fund.

Through these proposals 3 main challenges become clear:

- The link between the allocation of ESI Funds and the development of structural reforms within the partner countries: how to strengthen the “incitative” dimension of ESI Funds? How to put into practice this link and monitor its implementation?
- Simplification: how to simplify the regulation without changing the whole system?
- How to improve after 2020 the coherence between the intervention of the different EU instruments (ESI Funds, EAFRD, European sectoral funds)?

Objectives

The Pyrenees-Mediterranean Euroregion expresses its support for these EU guidelines and commits to participating in these priorities. In this respect, the PME will:

- Favour competitiveness, entrepreneurship and innovation in its territory.
- Develop sustainable development actions, low-carbon emissions, while supporting the circular economy and projects that include the adaptation and mitigation of three territories to climate change, particularly on energy issues.
- Facilitate access to ICT thereby helping to making its territories interconnected areas, particularly to develop e-health and e-tourism.
- Participate in the consolidation of the European pillars of social rights by investing in training and education projects mainly for young people. Moreover, issues such as e-health or culture will be enhanced as priority axes for its projects in order to improve the living conditions of its citizens.
- Act as close to its citizens as possible by further working for local development and the preservation of its heritage, cultural and environmental richness. In this respect, it will develop actions for the protection of biodiversity and its natural areas, for sustainable tourism or for the preservation and quality of water resources.

Given its historical, legal and political nature, the PME will establish itself as a hub of European cooperation within the 2017 horizon at different levels:

- Transnational: it will mainly develop projects in the field of the new territorial programmes.
- Cross-border: it will participate, thanks to the experience acquired as one of the early EGTCs placed to a large extent in a cross-border area, in the work groups of experts of the European Commission in order to help overcome the related administrative obstacles.
- Interregional and neighbouring: it will become in the mid-term a model of solidarity through cooperation with its neighbours, particularly in the Southern Mediterranean. It will develop a solid and long-lasting neighbouring cooperation network faced with structural migration flows, water management, and so on.

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Moreover, in order to develop its level of territorial integration, the PME will:

- Mainly participate in the **H2020, EASME/LIFE, Erasmus+ and Creative Europe** programmes in keeping with its pillars, which are research-innovation, culture, training-education, and sustainable development. It wishes to be recognised as a territory of excellence by favouring projects such as the internalisation and mobility of its local actors in these fields.
- Contribute to strategic discussions and projects related to the blue economy in the Mediterranean basin given the maritime character of a large part of its territory.

Proposals and recommendations for the post-2020 period

Based on the proposals of the European Commission of 2 May 2018 **concerning the next Multiannual Financial Framework (MFF)**, and of 29 and 30 May **concerning the cohesion policy for 2021-2027**, the Pyrenees-Mediterranean Euroregion stresses the following points:

Budget

The PME strongly supports the implementation of a more ambitious EU budget, particularly capable of preserving the cohesion policy, a key policy for our partner regions.

The PME wishes the EU budget to represent at least 1.3% of the GNI of the EU-27 (1,324,100,000,000 euros according to 2018 prices) in order to provide the EU with enough financial resources to meet the pressing economic, social and environmental challenges.

The PME clearly states that the cohesion policy, particularly European territorial cooperation, must not be affected by the decrease in European credits or co-funding rates, which might be highly detrimental to the implementation of cross-border partnership projects. Currently, territorial cooperation funds have a notable impact on the Euroregions because they are indispensable for contributing European added value to the development of these cross-border and transnational territories. Likewise, the Euroregions have a key role to play in their implementation.

Regulations

General points

- The PME supports the European Commission's objective to improve the efficiency and synergies between the European funds, and in this respect wishes the principle of additionality to be introduced.
- The PME is favourable to a strengthened thematic concentration on 5 strategic priorities notably enabling some territorial specialisation.
- The PME calls for the maintenance of the current provision (article 121.4) of EU regulation No. 1303/2013 of 17 December 2013, which enables the percentage of a priority axis to be modulated to take account of the coverage of areas with severe and permanent natural or demographic handicaps.
- The PME considers that, along with the population, economic profitability and unemployment, the EU should take into account the part of the territory and population that are affected by important and permanent geographical limitations in the allocation of funds. This new criterion would enable the allocation of additional funds for territories with permanent geographical limitations and which could be used according to a high level of flexibility in keeping with the needs of each of these territories.

European territorial cooperation

- The PME firmly opposes changing the calculation method of the envelopes of the ETC programmes proposed by the European Commission. Thus, the new calculation based on the population less than 25 km from the border could seriously penalise our rural, insular and mountain territories, notably the French-Spanish Pyrenees border, one of the most affected by the phenomenon of depopulation.

This criterion responds to the acknowledgement of the difficulties linked to cross-border cooperation in areas with a strong natural handicap, such as the Pyrenees.

Even if it only deals with the calculation of the national envelope and that its distribution leaves room for manoeuvre which could make it possible to rebalance the envelopes by programme (national responsibilities, no visibility to date), this criterion could affect the overall level of resources related to the ETC and therefore the cooperation programmes concerning the Euroregion.

- Moreover, the PME regrets that the regulation proposals for cross-border programmes do not enable the integration of the insular areas. The minimum integration of adjacent areas in these programmes would enable the inclusion of some insular areas and guarantee greater territorial integration.
- In an attempt at territorial integration, the PME considers it essential for maritime cooperation to be maintained in the framework of the cross-border cooperation section for the programme period 2021-2027 and for the existing transnational areas, such as the Cooperation Programme Interreg V-B Southwest Europe (SUDOE) for which the whole of the territory of the Pyrenees-Mediterranean Euroregion is eligible, to be preserved.

Cross-border mechanism

- The PME demands that the cross-border territories located in areas of natural handicaps are taken into account by allocating additional resources to them in order to facilitate relations and the maintenance of real areas of life (flows, pendular migrations, transport, services).
In the last few decades, the process of European integration has contributed to making these bordering regions, which were mainly peripheral, areas of growth and opening. The objective is to reduce the complexity, length and cost of cross-border interaction and encourage the pooling of services along the interior borders. The citizens and enterprises of the bordering regions should be able to make the most of the possibilities offered from both sides of the border.
In this respect, the PME supports the European Commission proposal to implement the mechanism in order to overcome the administrative and legal obstacles in a cross-border framework and asks the states to support this initiative. The PME therefore offers itself as a pilot territory for the implementation of this mechanism.

EGCT

- The PME endorses the new European Commission proposals, which take into account the essential role of the EGTCs as a cooperation instrument, in particular art. 24.2 that establishes that the beneficiary of a fund for small projects will be a cross-border legal entity or an EGTC.
- Moreover, the PME requests in this respect the allocation of a European budget for the functioning of the EGTCs in order to implement the objectives of European territorial cooperation at their level. This provision facilitates the functioning of these legal instruments but also legitimate and perpetuate their actions in some fields of powers.

Horizon Europe

- The PME supports the proposal to increase the funds allocated to the **Horizon Europe** programme. The European Commission proposal aimed at strengthening Interregional Cooperation by linking the regions to the complementary smart specialisation strategies to increase their innovation ecosystems is also seen very favourably.

- The recent positioning of the Pyrenees-Mediterranean Euroregion in favour of this programme, and the specific role that it can play as a pilot territory shows the strategic importance that these funds can have for the development of the territory.

