Border Orientation Paper

Spain – France-[Andorra]



1. INTRODUCTION

This document sets out key characteristics of the cross-border region between Spain, France and Andorra and outlines options and orientations for the programming of the next Interreg programme along that border. It is part of a series of similar papers prepared by DG REGIO for all EU land borders (and borders with Norway and Switzerland).

The objective of this paper is to serve as a basis for a constructive dialogue both within cross-border region and with the European Commission for the 2021-2017 Interreg cross-border cooperation programme Spain-France.

The paper is based for a large part on objective information stemming from three studies commissioned by DG REGIO:

- "Border needs study" ("Collecting solid evidence to assess the needs to be addressed by Interreg cross-border cooperation programmes") conducted in 2016;
- "Easing legal and administrative obstacles in EU border regions" conducted in 2015-16 and;
- "Comprehensive analysis of the existing cross-border transport connections and missing links on the internal EU borders" conducted in 2017-18.

In addition, many data sources available at European level were also used to describe certain aspects socio-economic and territorial development. A full list of information sources is provided in annex.

Cross-border cooperation is much broader than Interreg programmes. The objective is to facilitate cross-border cooperation by reducing remaining persisting obstacles to cross-border activities and linkages as outlined in the 2017 Communication on Boosting Growth and Cohesion in EU Border Regions. The instruments available are not only the funds (in particular Interreg and other European Structural and Investment Funds (ESIF) programmes which may invest in cooperation), but also European and national legal instruments (European Grouping for Territorial Cooperation (EGTC), regional agreements (e.g. in the Benelux and the Nordic countries), bi-lateral agreements, etc.) as well as a number of policies e.g. on labour mobility, transport, health, etc. The Interreg programmes should therefore not only aim to fund projects but should also seek to reduce cross-border obstacles. To do so, the legislative proposal on Interreg foresees that part of the budget is dedicated to cross-border governance (including capacity building and contribution to the macro-regional/sea-basin strategies).

That is why this paper goes beyond the traditional activities of Interreg programmes (funding projects) and also covers governance issues (reducing cross-border obstacles). On this, the roles of the programmes are: (a) to initiate the work on the obstacles (e.g. the members of the Monitoring Committee could contact the relevant public authorities and stakeholders); (b) to facilitate the work (by funding working groups as well as possible studies and pilot projects); and (c) to contribute to this work (providing input from the wide knowledge gained in past programming periods). Whilst the budget is limited, the impact can be important as the actions concerned will have a limited cost (meetings, studies, pilot projects, etc.) but structural effects.

2. ANALYSIS OF THE BORDER AREA

Top characteristics:

- The France-Spain border has a length of around 650 Km and runs from the Atlantic Ocean to the Mediterranean Sea. Andorra, set between the two countries, participates in the programme as a third country.
- The border is characterised by being essentially mountainous, with the Pyrenees as the main natural physical barrier. However, considering a broader cooperation area, the typology of the territory is a mixture of different types of territories on both sides, including many large "functional urban areas" and "commuting zones".
- The population in the border area is around 5 million inhabitants (NUTS3 regions directly on the border). Looking at a wider geographical area, there are 14.5 million inhabitants, with almost 12 million on the Spanish side and around 3 million on the French side (based on the geography of the 2014-2020 Spain-France programme). Population in Andorra is around 77,000 inhabitants. Population density varies significantly between the different NUTS 3 regions, being higher in the urban areas and in the coastal strips at either end of the border than in the central areas immediately at or close to the border.
- Over the last ten years, there has been an overall, small increase in population in most of the border regions, with the French regions experiencing faster increases than their neighbouring regions in Spain.
- The economic activity of the border shows a predominant weight of the services sector (retail trade, administrative/support services, accommodation and food service) followed by the manufacturing sector.
- Overall, economic performance, measured by GDP per capita, is much stronger in the Spanish border regions than in the neighbouring French regions, although the latter have been closing this gap during the 2010-2016 period.
- Despite the long history of cross border cooperation between France and Spain, with some agreements going back to the 14-15th century¹, the nature of the border and the rural component reduced the relationships to a very local scope, mainly focused on the rural economy, tourism, culture and the protection of the environment and resources. The Treaty of Bayona (1995) endowed the cross border cooperation with an adequate legal framework that boosted cross-border cooperation beyond purely local actions and allowed the signature of numerous agreements between local entities on both sides. The incorporation of Andorra into the Treaty in 2010 completed the legal framework of cross-border cooperation among the three countries.
- The territory presents an important cultural richness. Concerning spoken languages, in addition to French and Spanish, Catalan is spoken in Cataluña, Andorra, in the Eastern Pyrenees, in part of Languedoc-Roussillon and Huesca. Basque is spoken in The Basque Country, in Navarra and in some French territories. The Occitan is present in Midi-Pyrénées up to the French border and in Pyrénées-Atlantiques in the Bearn. Besides, the Aranese is spoken in the Val d'Aran (Lleida) and the Aragonese fabla in some valleys of Huesca.

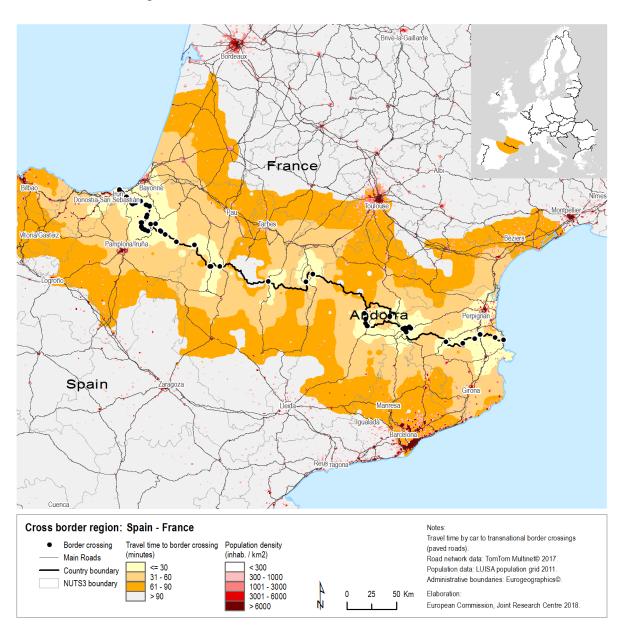
¹ "Le Tribut des Trois Vaches" (Junta de Roncal, 14th Century) or "Lies and Passeries" (15th Century)

- 1. For the purpose of the analysis of this document and due to the availability of data, the administrative reorganisation of the regions in France has not been considered. Therefore, the document will refer to the regions of Languedoc-Roussillon, Midi-Pyrénées and Aquitaine instead of Nouvelle-Aquitaine and Occitanie.
- 2. Analysed data gives very little, or no, coverage of Andorra, in function of the thematic area. For this reason the paper principally addresses the situation in the French and Spanish border regions

3. TERRITORIAL DIMENSION

- 3. This border is characterised by being essentially mountainous, with the Pyrenees as main physical barrier. However, considering the current programme area, the typology shows a mixture of different types of territories. It comprises six "predominantly urban" regions. One is in France, Haute-Garonne, and five in Spain: Álava, Guipuzkoa, Bizkaia, Zaragoza and Barcelona. In addition, there are three metropolitan areas within "intermediate regions": Pamplona, Pau and Perpignan. Besides, there are four "predominantly rural" regions: two in Spain (Huesca and Lleida) and two in France (Ariège and Haute-Pyrénées). Furthermore, six of the NUTS 3 regions are "coastal regions" (Guipuzkoa, Bizkaia, Barcelona, Girona, Pyrénées-Atlantiques and Pyrénées-Orientales).
- 4. The population resident in the cooperation area is around 14.5 million inhabitants. The main population is located in Cataluña, with 7.4 million residents, most of them in Barcelona (5.5 million). On the French side, Haute-Garonne with 1.37 million concentrates most of the population. However, population in the NUTS 3 directly at the border is only around 5 million inhabitants. Population in Andorra is around 77,000 inhabitants.
- 5. Population density in the border region varies significantly. In the main metropolitan areas and the coastal strips at either end of the border, population density is high (Gipuzcoa, Bizkaia, Barcelona and Haute-Garonne) while in the areas immediately at or close to the border and in the interior of the Pyrenean Mountain range, population density is relatively low. In a few regions such as Zaragoza, Hautes-Pyrénées, Lleida and Ariège the population density is less than 50% of the EU average.
- 6. Over the last ten years, there has been an overall, small increase in population in most of the border regions. Only a limited number of regions experienced small population decreases, mainly in less-populated rural areas, with the exception of Zaragoza, the only urban region to have a small fall in population. Similar patterns apply to migration. All border regions show higher rates of net immigration than the EU average of 4%. This is particularly high on the French side.
- 7. For 2017, the trend continues with an overall growth in population, due to a combination of a small natural increase of 0.03% and a net immigration of 0.39% for the border area.

- 8. In terms of the age of population, there are some differences along the border, with the French regions generally having far fewer people in the "working-age" categories than their neighbouring regions in Spain. Aging population is particularly relevant in the mountains and certain rural areas, where an increase in the needs of health and care services can be expected.
- 9. In terms of accessibility of urban-based services and functions, the mountains divide the territory in two types: on the one hand, the border regions at either end of the border (the Eastern and Western Pyrenees), with relatively good accessibility to urban areas. On the other hand, in the central zone (Central Pyrenees) there are isolated areas that face specific development challenges due to the location, the physical characteristics and relatively poor accessibility to urban services and functions. These regions are frequently confronted with depopulation, scarce economic activities, pressure on the environment and natural resources. The map below highlights the accessibility issues for certain parts of the cross-border region.



- 10. For the 2021-2027 CBC programme, the cross-border region should not be strictly limited to the administrative borders of the programme but has a flexible geography depending on the topic concerned. This is a functional area.
- 11. For some topics, the solution can only be found if partners outside the programme area are involved (e.g. to have a good research project, you may need to involve a university which is in the capital of the country; to reduce the risks of floods project, you may need to reintroduce wetlands or dams upstream of a river but outside the programme area; to facilitate cross-border health care/ service you may have to develop a project with neighbouring regions and with national authorities; to establish cross-border rail links you may have to involve national train companies, ministries, etc. and to connect with other lines further away, etc.).
- 12. For some other topics, the solution is purely local, corresponding to an area much smaller than the programme (e.g. to establish green infrastructures to preserve biodiversity along a river).
- 13. This shows that the problem-solving should be based on the functional areas rather than on the administrative scale defining the programme area. What matters is that the projects benefit the cross-border area. The location of the project or the location of the partners does not necessarily matter.
- 14. Precisely, the ex-post evaluation of 2007-2013 Cohesion Policy programmes highlighted the limited attention that had been paid to the notion of a functional region or area when identifying the border regions to be supported. This is essential when considering the potential benefits of cross-border cooperation. There are obvious difficulties in defining functional areas in practice, but attempting the exercise would at least focus attention on the aspects which are relevant for development of the cross-border area concerned.
- 15. Besides, the evaluation of this programme for the 2007-2013 period pointed out that thematic priorities should be also stablished in function of the features and needs of each territory. Furthermore, the evaluation also recommended that for certain areas where the mobilisation of the actors is not sufficient, a to-down approach should be followed.
- 16. In this border, due to the presence of coupled cities and also of certain more urbanised areas, such as the cross-border functional area at the western end of the border, there is a high potential to develop cross-border public services. Besides, in the central Pyrenees, where there is a need to improve physical accessibility to health and education services in specific rural border areas, cross-border solutions should be explored. This will require actions in relation to legal/administrative obstacles and/or language differences but this programme has already some experience with concrete projects in the health and rescue sectors which are excellent basis for future developments.
- 17. This focus on functional areas is a new approach in the post-2020 regulations and has three main benefits: (1) It enables the projects to be more effective as they can build on the experience of a wider range of relevant partners and as they can be located where the impact is bigger; (2) It clearly shows that Interreg is a policy tool supporting projects to improve the situation and not a mere funding tool for the benefit of local authorities sharing a budget; and (3) It avoids that programmes re-create new borders outside the programme geography.

• Macro-regional strategies

18. Although the border between Spain and France is mainly a land border, POCTEFA also takes part in the implementation of the sea-basin strategies for Atlantic and Western Med EU Strategies. A lot of resources and energy have been invested to generate useful common actions for the entire Atlantic region. For these actions to be realised funding instruments should be ready to finance some of these actions. This concerns also the cross-border programmes. Therefore, where relevant/appropriate the challenges and priorities identified in the strategies should be taken into account when planning the ERDF investments. Cross border actions with a clear link to the Atlantic and Western Med EU Strategies should be designed in the areas of mutual benefit in order to achieve greater impact.

• Tourism, natural and cultural heritage

- 19. This border is particularly rich in natural and protected areas and landscapes. Cultural and architectural heritage are also relevant. The diversity of territory with mountains, rural areas and marine littoral, together with the cultural dimension brings a high potential for a very diverse tourist offer (winter sports, rural tourism, activities related to thermal therapy, cultural routes etc). Indeed, many farms are diversifying towards tourist activities (food service, accommodation). Overall, the tourism sector represents between 5 and 15% of the regional GDP.
- 20. Investment for the enhancement and development of tourism assets and services, cultural and natural heritage, etc should be conceived as part of an integrated approach aimed also at the diversification of the tourist supply and extension of the tourist season.
- 21. Investments have to be strategically framed and take into account the multi-level governance and stakeholder approach. Existing practices elsewhere in Europe, especially when it comes to developing thematic tourism routes or quality labels could provide useful inspiration.

• Spatial planning and territorial tools

22. Due to the length of the border, this programme has been working with three cooperation sub-areas (West, Centre and East), based on the geographic proximity of the regions of both countries. This differentiation seems appropriate but special attention should also be given to certain targeted sub-regional geographical areas underpinned by common challenges, development needs and growth potentials. Different territories and communities require differentiated and tailor-made policy mixes. It is important to reinforce the local and territorial dimension and the involvement of local actors which normally know better the actual needs of the territories. The establishment of territorial instruments such as ITI or community-led local development groups are highly recommended.

- 23. For this purpose it is important to develop territorial strategies to tackle in an integrated manner specific challenges of some geographical areas (depopulation, low density, ageing, decline of the economic activities, pressure of tourism, economies based on the same sectors such as tourism etc.) while building on their endogenous potential attracting residents and tourists. The territorial investments can be complemented by investments of the regional ERDF programmes depending on the needs and potential defined in the relevant territorial strategies.
- 24. The timely preparation of the territorial strategies is a prerequisite for the successful implementation of any territorial approach.

ORIENTATIONS:

- Improve the functional area approach for cross border development. Authorities are encouraged to use the different available tools to support functional areas such as the European Grouping of Territorial Cooperation EGTC -, Euroregions, Integrated Territorial Investments, Community Led Local Development, metropolitan areas, natural parks, etc.
- Explore the possibility of establishing territorial instruments (ITI, CLLD), adapted to the territorial characteristics of the border region, especially with a view to tackling specific situations on both sides of the border.
- Support the Atlantic and Western Med EU Strategies provided they also contribute to the more local objectives of the cross-border region. This should be done in a proactive way (following the developments of the strategies and making use of the tools available).
- Invest further in common historical, natural and cultural heritage products and services, with a strong focus on creating employment for small companies and family businesses. Sustainable tourism trails or the development of quality labels for excellence in services could contribute to increasing the attractiveness of the region as a green tourism/cultural heritage destination.

4. GROWTH, COMPETITIVENESS AND CONNECTIVITY

- 25. Overall, economic performance, measured by GDP per capita, is much stronger in the Spanish border regions than in the neighbouring French regions, although the latter have been closing this gap during the 2010-2016 period. Three of the five Spanish border regions have a GDP per capita above the EU average; the Basque Country, Navarra and Cataluña. In comparison, the highest GDP per capita in a French border region is equal to the lowest Spanish border region (Midi-Pyrénées and La Rioja) and slightly lower than the EU average. The worst performing is Languedoc-Roussillon at 23% below the EU average. By size in terms of total GDP, the largest regional economy is Cataluña and the smallest are Aragón, Navarra and La Rioja.
- 26. In terms of changes to GDP per capita, during the period 2010-2016 only Midi-Pyrénées had an increase in comparison to the EU average while the rest of the border regions experienced a decrease.
- 27. Looking at the 'Regional Competitiveness Index' (RCI), the following three regions are more competitive than the EU average: Midi-Pyrénées, Aquitaine and the Basque Country. Languedoc-Roussillon is in line with the EU average and the rest of the Spanish regions are assessed as less competitive than the EU average. Although the detailed picture is mixed, depending on which indicator is considered, La Rioja and Aragón, are performing on this set of competitiveness indicators well below the EU average and the other border regions.

• Innovation

- 28. According to the latest Regional Innovation Scorecard (RIS) 2017, all border regions in France and the Basque Country in Spain are strong innovators, with the rest of the border regions falling in the category of moderate plus innovator. In terms of the proportion of GDP in gross expenditure on research and development, only two French regions, Midi-Pyrénées and Languedoc-Roussillon, are above the EU average, with Midi-Pyrénées in particular having more than twice the EU average of 2%. All Spanish border regions have lower R&D intensity than the EU average, with the Basque Country, Navarra and Cataluña above the Spanish national rate.
- 29. The ESPON Territorial Review assessed that all of the NUTS 2 regions in the cross-border area are "Less competitive economies with potential in Knowledge-Economy economy".
- 30. With regard to key RCI indicators of innovation potential at NUTS 2 level, there are notable differences in the ratings, with the French border regions performing better in general than the Spanish. Considering the levels of patent applications, as an indicator of innovation capacity, there are substantial variations between the regions at the NUTS 3 level, but only one, Haute-Garonne (with its capital Toulouse), has a level above the EU average.

- 31. Educational achievement is a key framework condition for supporting effective growth and competitiveness. In this respect, this border is well positioned with all regions on both sides of the border above the EU average for "working population with tertiary-level educational attainment". With regard to the share of human resources employed in science and technology, the France Spain border overall performs well with an average share slightly above the EU average. Four of the regions have higher shares than the EU average (the Basque Country and Navarra in Spain and Midi-Pyrénées and Languedoc-Roussillon in France). The other regions are slightly below the EU average.
- 32. As regards the critical mass needed to support innovation and cooperation in developing competitiveness, the territory comprises many urban centres and metropolitan regions that can be important as the base for innovation-based development, acting as key drivers of regional economies, with high population density, good technological readiness, large regional markets and relatively high current levels of innovative activity.
- 33. Based on the above, it can be concluded that the framework conditions and critical mass to support further innovation-based development are present in certain parts of the territory but not in all: Midi-Pyrénées shows well-developed R&D&i capacities and belongs to the regions identified as Europe's top 20 leaders. Another four border regions are broadly in line with each other and slightly above the EU average (the Basque Country, Cataluña, Aquitaine and Languedoc-Roussillon). Finally, the regions of Aragón and La Rioja are well below the EU average.
- 34. Therefore, the border region currently has some considerable strength and centres of excellence and many of the conditions in place to support further innovation-based regional development. Targeted innovation measures, seeking to maximise the cross-border benefits of the "innovation drivers" in the main urban and metropolitan areas, would therefore seem appropriate.
- 35. There is a need for stronger and more efficient links between public research and enterprises aiming at developing new processes, new technologies and/or new products that can be implemented in the productive border area.
- 36. By sectors, priority should be given to common areas in the regional Smart Specialisation Strategies (RIS3) and more concretely to those that have particular relevance for the border area. In this respect, it can be noted that the health care sector is part of the RIS3 of most of the regions, the agro-food sector (in order to strengthen innovation and the use of technologies) is common in regions of both sides in the West and Centre of the territory. Wood sector is relevant for Aquitaine, Aragon and La Rioja. Besides, the management of natural resources and water cycle are shared by Cataluña, and Languedoc-Roussillon.

• Enterprises/entrepreneurship

- 37. The business sector of the border area is mainly composed of small enterprises and selfemployers. The territory accounts with the presence of business associations and clusters in many sectors which play an important role for the dynamism and visibility of companies and the local territory. They can facilitate the implementation of certain measures of cross-border cooperation that sometimes cannot be developed at the level of small and medium-sized individual companies. Clustering is also an effective way to step up innovation.
- 38. In terms of the sectoral focus and structure of the economies², the area presents a predominant weight of the services sector, with most employment (around 72%) concentrated in tertiary activities (retail trade, administrative/support services, accommodation and food service). Manufacturing is also important with 23% of total employment in all border regions, although the share in the Spanish regions is much higher than on the French side. The main subsectors are manufacture of food and beverages products, leather and related products, metal products and manufacture of motor vehicles. On the French border, the construction sector is significant and higher than in the Spanish regions. Overall employment in agriculture is below 5% but is quite significant in certain areas such as Huesca, Lleida and Gers and is an important base for the agro-food industry. To be noted that the highest share of employment in professional, scientific and technical activities is in Midi-Pyrénées and is generally higher on the French side compared to the Spanish side. Employment in Andorra is mainly concentrated in the service sector.

• Digitisation

- 39. In terms of digitisation, most information is available only at national level. Therefore, it is not possible to make any informed observations with regard to the situation at the regional level in the border region. Nevertheless, the main trends at national level indicate that France and Spain are generally ranked at the relevant EU average or even above, both for "digitisation and government" and "digitisation in business and commerce".
- 40. Spain is particularly strong in respect of the level of digital provision of public services (e-government and e-health) and digital public services for businesses, performing well above the EU average. Concretely, as regards the provision of e-health services, the gap with the neighbouring country is relatively high, with France performing below the EU average. On the other hand, looking at the levels of interaction via internet with public authorities, although all regions are above the EU average, the French side performs better than the Spanish side. As regards the indicators of "e-commerce", France is below the EU average and Spain slightly above.
- 41. Considering the investments, France spends a share of GDP on ICT in line with the EU average, while Spain rates below. It should be noted that in terms value added by ICT sector as a percentage of GDP, France is amongst the best performers in the EU and well above the EU average, whilst Spain scores much lower (and below the EU average).

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² The information is available at NUTS 2 level

• Connectivity

- 42. Despite the mountains, transport connectivity of the border is, in general, "very good" in terms of road connectivity and "average" in terms of rail connections. However, looking at the indicator on "infrastructure" of the Regional Competitiveness Index, there are large differences between the regions, with Cataluña substantially above the EU average, Languedoc-Roussillon slightly above and Aragón equal to the EU average. All other regions are well below the EU average, particularly The Basque Country and La Rioja.
- 43. Cross border rail freight traffic from Spain into France remains a bottleneck. The two coexisting gauges constitute a key barrier for better connectivity and could be overcome with increased cooperation⁴. As regards road, serious congestion problems appear repeatedly at border crossings between Spain and France. Developing alternative connections, in particular cross border freight railway links, could help to address the problem.
- 44. Focussing on rail transport, the percentage of the population having access to cross border rail services is low- to mid-range in comparison to other EU border regions, with a relatively poor services in terms of frequency⁵ and average speed⁶. Looking at the access to all rail services and not just cross-border, the situation is very poor in all regions apart from Aragón and Cataluña, which are both well above the EU average.
- 45. Currently, there are five operational cross-border rail links with regular passenger services in this border, most of them are located at either the western or eastern ends of the border (i.e. no operational cross-border links in the central Pyrenees).
- 46. The study carried out by the Commission identified one rail connection as having most potential benefit within the France Spain border region. It is the Zaragoza (ES) Canfranc (ES) Pau (FR) route (Aragón Pyrénées-Atlantiques). Relevant stakeholders consider the connection would be "rather positive" for the border region.
- 47. As regards road transport, there are many road links (27), of different categories, between Spain and France, one of which links the two countries through the Principality of Andorra. However, while the coastal extremes mainly (Mediterranean axis north-south and Atlantic) benefit from a network of diverse and modern transport infrastructures, in the central area of the Pyrenees important difficulties remain because of the mountainous character and low population density.
- 48. Considering the share of population accessible within 90 minutes by road, all the Spanish border regions apart from Aragón, are above the EU average. To be noted that two regions on the coast, Cataluña and the Basque Country, show the highest percentage. In contrast, on the French side, all border regions are below the EU average on this indicator.

³ Indicator reflects NUTS 2 level data from multiple sources on 'motorway potential accessibility', 'railway potential accessibility', 'passenger flights within 90 minutes' drive' and 'intensity of high-speed railways'

⁴ European semester country report 2018

⁵ Average frequency of cross-border rail connections slightly better on the French side of the border (frequency of 60-90 minutes) than on the Spanish side of the border (frequency of 90-120 minutes)

⁶ Average speeds of cross border rail connections at below 25 km/h on the Spanish side of the border and 30-40 km/h on the French side

- 49. Looking at the density of motorways (measuring the length of motorways relative to the area and population size), all the border regions on both sides are above the EU average, with all Spanish border regions being above the levels of their neighbouring French regions⁷.
- 50. However, large parts of the areas immediately at, or close to, the border area, have poor road access to regional centres. Concretely, the Spanish regions of Huesca (Aragón) and Lleida (Cataluña) and the French regions of Pyrénées-Orientales (Laungedoc-Roussillon), Ariège and Hautes-Pyrénées (both Midi-Pyrénées) have particularly poor access by car to regional centres in comparison with neighbouring regions. Short distance trips through secondary or local roads continue being a difficulty.
- 51. According to the Border Needs Study one main barrier to cooperation in the transport sector is the lack of coordination between public transport systems. Concretely, in the eastern part of the Pyrenees, despite a number of initiatives in the field of cross-border rail passenger transport, a lack of coordination has persisted for several years due to difficulties in mobilizing key stakeholders (national railway and network companies SNCF, RFF, RENFE). Another example is in the Western Pyrenees, where administrative difficulties and / or a lack of political will hinder the development of major cross-border transport infrastructures and connections, such as the high-speed rail line between Bordeaux and Spain or the development of sustainable solutions to cope with the high number of freight transport vehicles and individual cars that are crossing the border by road every day (app. 9,400 freight transport vehicles and close to 49,000 individual cars per day in 2011).

ORIENTATIONS:

- Support research and innovation as long as it is demand-driven by business and society needs with the aim to allow innovation results to reach the market. The support should be limited to the sectors of relevance in the border area (such as agro food, management natural resources, water cycle and wood sector, among others).
- Support networking, (industry-led) cluster development and cooperation for the deployment of joint cross-border innovative projects.
- Promote internationalisation and advanced business advisory services, focussed on the needs of SMEs and on the specificities of certain common economic sectors of the border area.
- Improve the interoperability of public authorities' e-government systems and cross border data exchanges systems with the aim to facilitate the delivery of cross border public services, such as education, health care, business support or cultural cooperation.

⁷ The highest level of density is in Navarra at 305% of the EU average, La Rioja at 296% and the Basque Country at 272%. The lowest density level in the Spanish regions is in Cataluña, which is still at a level almost double the EU average. French regions have much lower density, although all are above the EU average; Aquitaine at 149% of the EU average, Languedoc-Roussillon at 127% and Midi-Pyrénées at

114%.

- Support measures to facilitate the planning, coordination, management and implementation of the different transport services and regulations along the borders. Measures should focus on the development of the route identified in the studies as having most potential and as being of highest importance to the regional economies in the border regions.
- Coordinate with either the national or regional investment programmes or EU regional/national programmes to have cross-border transport projects.

5. GREENER, LOW CARBON ECONOMY

• Energy transition

- 52. In terms of renewable energy, the border area has a high potential for solar energy generation, including large-scale photovoltaic (PV) potential. This high potential covers the whole border region, but is particularly high in all of the Spanish border regions and in the eastern and central areas of the French border region (Pyrénées-Orientales, Ariège and Haute-Garonne). There is also a medium-to-high potential for biomass (straw and wood), across the whole border regions and certain potential for hydro power, thanks to a relatively high concentration of suitable hydro sites.
- 53. In the coastal areas of the border, there is also some potential for energy from wave power, being much stronger on the Atlantic (west) coast than on the Mediterranean (eastern) coast. As regards wind energy, in the coastal areas there is also some potential for offshore wind.
- 54. The cost of capital for investments in France is relatively low compared to Spain⁸. This circumstance creates, in principle, a more favourable economic environment for investment in renewable energy in that country, whilst the financial investment environment is more challenging in Spain.
- 55. The particular situation of Andorra regarding the energy issue deserves to be highlighted. Indeed, Andorra imports electricity and is strongly dependent on the production of its neighbours.
- 56. Measures to support energy efficiency (such as investments in public and private building, SMEs, public lighting, etc) should not be financed with this programme.

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⁸ The figure is 5.7% in France and 10% in Spain. This can be compared with levels of 3.5% to 7% in the most developed capital markets of the EU

• Circular economy

- 57. In terms of recycling and waste management, data is only available at the national level. On the assumption that the border regions replicate the respective national performances, this indicates that the Spanish side performs far worse than the French side. Concerning waste into landfill, France at 23% is slightly lower than the EU average, whilst Spain at 47%, is far from the 25% of EU average.
- 58. As regards generation of waste (excluding major mineral waste), the situation is better and at very similar levels in each country, slightly below the EU average⁹. Recycling is slightly below the EU level in France and on average in Spain¹⁰. However, looking at the recycling of municipal waste, both countries perform below the EU average but there are important differences, with Spain recycling much less than France¹¹. In terms of resource productivity (value generated from waste), both countries achieve more value than the EU average. France achieves EUR 2.91 per kg and Spain slightly less, at EUR 2.75 per kg.
- 59. Cross border investments from the programme in this field do not seem to be a priority in this border. However, due to the mountainous character of the border, sharing cross border infrastructures may bring relevant added value, provided that certain conditions are met (such as proximity and good road connections)

Climate adaptation and risk management

- 60. Overall the regions in the France Spain border have been assessed as having medium to high environmental sensitivity to climate change. The risk of natural risks such as droughts, storms, torrential episodes, avalanches etc is considerable. There are a number of sites along the border with significant flood risks, particularly in the Spanish border regions. Although during the period 1981-2010 there has been a slightly upward trend in forest fire dangers in parts of the border region, the projected forest fire danger is low.
- 61. In particular, forecasts indicate that this border has a relatively high chance of facing increased drought frequency in the future in comparison to the situation in other EU regions. Drought conditions would have a very high impact on both public water supply and also water quality.
- 62. In the France Spain border region there are some, but relatively few cross-border rivers and no major cross-border river-basins. In terms of water quality, although data is only available at NUTS 1 level, and therefore it is not possible to make any informed observations with regard to the situation at regional level, there are certain known pressures like industrial and domestic waste, tourism, hydroelectricity etc affecting the supply and ecological status of the water.
- 63. Concerning the management of water resources, some examples of concrete obstacles have been identified. One is related to the sanitation and wastewater treatment, especially due to urban growth of certain towns (such as Puigcerdà and Llivia) which strongly

¹¹ France recycles 41.7% and Spain recycles 29.7% (EU average is 45.8%).

⁹ In 2014 France generated 1,445 kg per capita and Spain 1,428 kg per capita. The EU average for that year was 1,717 kg per capita.

¹⁰ .Share of recycling in France is 32.2% and in Spain is 36.6%.

increase their population in winter time due to ski tourism. Another example is the lack of agreement on water management policies that results in a non-foreseen water abstraction and a possible modification of the watercourse upstream (in Andorra) that may adversely influence the availability of water downstream in French riverine territories and adjacent municipalities.

- 64. Furthermore, differences in the environmental legislations of all countries concerned are creating further obstacles. The transposition of European environmental directives does not occur in a coordinated/harmonized manner between Spain and France. In particular, this concerns the EU Framework Directive on Water, where different interpretations lead to the definition of different pollution limits. It is also noted that there is no Spanish equivalent to the French laws on mountains and specific territories or to obligations for elaborating climate change plans.
- 65. By geographical areas, cross-border cooperation in the Central Pyrenees is generally less intense and thematically broad, largely due to the geographical barrier effect of the Pyrenean mountain chain (i.e. less permeable than the Western or Eastern part of the Pyrenees). Therefore, negotiations among the three affected countries seem to be necessary to prevent the current obstacles from having a high negative impact on the sustainable development of the cross-border area, specifically in terms of water resources.

• Natural areas and biodiversity

- 66. The France Spain border region is very rich in natural and protected areas, including landscapes and grassland habitats. There are some national parks such as the "Ordesa y Monte Perdido" and "Aigüestortes y Estany de Sant Maurici" in Spain and the "Pyrénées National Park" in France. Moreover, the territory accounts with many regional natural parks on both sides of the border, like the "Pyrénées ariégeoises", "Pyrénées catalanes" and the marine park of "Golfe du Lion" in France and the "Cabeceras del Ter y del Freser", "Alto Pirineo", "Cadí-Moixeró", "Cabo de Creus", "Valles Occidentales", among others in Spain. Andorra accounts with three natural parks. Overall they cover a substantial part of the border territory.
- 67. In terms of the number of Natura 2000 sites, this region is amongst the top three EU border regions. Besides, there are several 'ramsar' sites (internationally important wetland sites) along the border. The Pyrenees Mountain range is characterized by forest, which covers half of its surface. Andorra also accounts with protected areas, representing about 27% of its territory.
- 68. Biodiversity is also extremely rich thanks to the favourable geographic and climate conditions of the region. In general, this border has many areas that rank among the top wild areas in Europe (on the Wilderness Quality Index) and accounts, in concrete with several important cross-border habitats for the bear and the wolf.
- 69. The level of forest connectivity is not bad, with many areas with very good assessment along the border. However, landscape fragmentation is relatively high in certain zones, particularly on the French side of the border where fragmentation pressure due to urban and transport infrastructure expansion is high

- 70. This programme has been extensively working in the environmental field but there is still room for further development of shared management of natural resources, particularly on joint overall planning. Concretely, there is strong potential to deliver ecosystem services, to provide habitat and connectivity for large mammals and high potential for the development of core Green Infrastructure (GI) networks.
- 71. In this respect, the Commission adopted an EU strategy on green infrastructure in 2013 to enhance economic benefits by attracting greater investment in Europe's natural capital. Green infrastructures are strategically planned networks of natural and semi-natural areas with environmental features designed and managed to deliver a wide range of ecosystem services. They incorporate green spaces and other physical features in terrestrial (including coastal) and marine areas. In certain sectors, in particular climate change mitigation and adaptation, green infrastructure approaches can offer complementary or more sustainable alternatives than those provided through conventional civil engineering. As Green Infrastructures do not know borders and as they require a good planning with many stakeholders, they should be supported through Interreg programmes where appropriate (e.g. cross-border flood plains to prevent flood risks).
- 72. In this field, some relevant obstacles have been identified such as the poor coordination and a lack of dialogue in terms of territorial planning as well as differences on legislation concerning animals (preservation of different species, sanitary standards etc.). Also, legal differences and different views exist with the Principality of Andorra on certain issues.

ORIENTATIONS:

- Consider investing in small-scale cross-border energy production from renewable sources particularly in relation to solar, biomass and hydro, provided investment and distribution conditions are favourable,
- Develop cross border waste-streams and joint treatment of waste, where these offer a solution for communities in the border region.
- Promote cross-border prevention measures, such as actions to improve the knowledge base, preparation and implementation of disaster risk management strategies, (such as droughts, flood or biodiversity loss), awareness-raising campaigns, protection and prevention infrastructure, management of land, forests and rivers etc. with a focus on ecosystem-based approaches, in a cross-border context.
- Support cross-border preparedness measures, such as infrastructure, purchase/upgrade of response vehicles, equipment, shelters, development of early warning systems and training for civil protection units.
- Promote common and/or joint approaches to the management of nature protection areas/resources along the border and the exchange of experiences between stakeholders in a cross border context. This could include support for the development of joint protocols to allow for effective co-ordination between regional/local agencies or institutions engaged in shared management of natural resources, shared or complementary delivery of services, development or maintenance of green infrastructure networks, improved cross border information exchange and awareness-raising, and/or policy development relevant to these issues. Identify the potential for Green infrastructures in Spain-France-Andorra and organise the planning with the relevant stakeholders on each side of the border.

6. EMPLOYMENT, EDUCATION, HEALTH AND INCLUSION

• Employment

- 73. Concerning the labour market, the overall situation is not very positive, with almost all border regions having an unemployment rate above the EU average of 7.63%. The only exception is Midi-Pyrénées with an unemployment rate of 7.1%, just below the EU average but well below the French national average rate of 9.43%. The other regions all have relatively similar rates of unemployment, in a range from 10.2% (Navarra and Aquitaine) to 13.4% in Cataluña. To be noted that all the border regions in Spain have rates substantially below the Spanish national average unemployment rate of 17.2%. Over the period 2006-2016, the unemployment rates have declined in most of the territory.
- 74. Considering the long-term unemployment, the situation is similar, with most of the regions performing below the EU average. Midi-Pyrénées with 2.9% has the lowest rate and Cataluña with 6.3% the highest, well above the 3.9% of EU average.
- 75. In terms of labour market productivity (measured by GVA per person employed), with the exception of Languedoc-Roussillon, all regions on both sides of the border have productivity levels above the EU average with the Spanish regions performing much better than the French. On wage indicators, data is only available at the national level. This indicates that French average wages and labour costs are above the EU average and substantially higher than in Spain.
- 76. There are notable cross-border differences in respect of labour market efficiency. All the French border regions score above the EU average (60), with Midi-Pyrénées at the highest level (71). In contrast, all Spanish border regions score lower than the French and only one, the Basque Country is slightly above the EU average.
- 77. Cross-border commuting workers in the cooperation area are not very intensive but actual data is not available. According to the Eurobarometer result for this programme, only 7% of the respondents indicated that they have travelled to their cross border neighbour for work or business purposes, with similar levels on both sides of the border. This figure places the France Spain border at a low level on this indicator in comparison with other EU border regions. Most of the cross-border trips take place for leisure activities, including tourist visits.
- 78. Although there are cross-border differences in employment and unemployment rates among the border regions, the overall situation is problematic on both sides of the border, with the exception of Midi-Pyrénées. This fact results in a relatively limited potential for market integration. Despite this, cross-border labour mobility should be promoted as it has many benefits (reduce unemployment, increase activity in enterprises, keep people in the region, etc.). It has many dimensions; recognition of skills/ qualifications/ diplomas, social security, pensions, taxations, transport, access to schools/ kindergarten, etc. To facilitate this multi-facetted policy, several borders have established 'offices' that help workers and enterprises in this regard. EURES cross-border partnerships should be promoted where relevant.

79. In this area, one of the main obstacles identified for cooperation is the low information exchange between key stakeholders from both sides of the border on issues relating to the cross-border labour market. Concretely, the absence of information exchange on regular or seasonal employment available in territories across the border adversely affects jobseekers that are prepared to commute.

• Education

- 80. Concerning education, according to the 'Regional Competitiveness Index' (RCI), on 'basic education' Spain scores (69) well above the EU average (63) while France slightly lower (62) ...
- 81. Considering the indicator of "early school leavers amongst the population aged 18-24 years old", the picture is mixed. Two regions in France (Aquitaine and Midi-Pyrénées and one region in Spain (the Basque Country) perform better than the EU average of 10.6%. The other regions have higher rates, with the highest in Cataluña (17%) followed by Aragón, Languedoc-Roussillon, La Rioja and Navarra.
- 82. In terms of "higher education and lifelong learning", Midi-Pyrénées and Basque Country are both rated very highly, followed by Navarra, Aquitaine and Languedoc-Roussillon. All of them score above the EU average of 63. On the other side, the Spanish regions of Aragón, La Rioja and Cataluña are all rated below the EU average.
- 83. Looking at the shares of "population aged 30-34 with high educational attainment", there are cross-border differences. All the Spanish border regions as well as Aquitaine and Midi-Pyrénées have percentage shares higher than the EU average of 40%. The Basque Country at 55%, is the best performing while Languedoc-Roussillon at 37% is the only region below the EU average.
- 84. In terms of physical access to education (i.e. travel to primary and secondary schooling), most of the border regions have reasonably good access to schooling. However, while access is very good at the eastern and western ends of the border, there are certain areas in the central regions, with particularly poor access by car. In particular, in the central Pyrenees (Huesca and Lleida in Spain and Hautes-Pyrénées in France) as regards access to secondary schools and Huesca to primary schools.
- 85. Language differences have been identified as an obstacle for cooperation. According to the results of the Eurobarometer, 49% of the population surveyed in the border region perceive that language differences are a problem for cross-border cooperation. This is a little below the EU average of 57%, but is still a relatively high number. Therefore, multilingualism should be highly promoted, giving special relevance to the languages of the neighbouring country. This is an important tool to boost employability, mobility and competitiveness, which is of particular relevance in this border region facing important challenges in employment.

¹² Indicator reflecting national-level data from OECD Programme for International Student Assessment (PISA) on levels of education of 15-year-olds

¹³ However, it should be noted that this indicator is based on national-level data only and behind it, the differences among regions and socioeconomic origin are significant.

86. In the field of vocational training, various legal and administrative obstacles are having a high negative impact on the cross-border mobility of trainees and on labour market integration. The lack of harmonization of training systems and the lack of recognition of qualifications as well as differences in the respective national Labour Codes hamper or complicate the development of several projects. Having a definition of a cross-border employment zones and an identification of sectors of activities with high demand would help to take forward cross border cooperation in this field.

• Health

- 87. According to the indicator on 'health' of the RCI, the Spanish border regions are well above the EU average (75) and rank higher (range of scores from 88-91) than all border regions in the neighbouring country. On the French side, Midi-Pyrénées (84) and Aquitaine (79) are also above the EU average, whilst Languedoc-Roussillon is rated just below the EU average on this indicator.
- 88. As regards physical access to health care services, there are large parts of the border, mainly in the central regions along the border itself, with very poor access to medical services (doctors and hospitals). A number 'inner peripheries' with particularly poor access to medical services by car have been identified in large areas on the Spanish side of the border (in Huesca and Lleida particularly) and in some parts of the French regions (Ariège and Pyrénées-Orientales).
- 89. In the field of health care services, this programme has experience, with some relevant projects like the EGTC Cerdagne Hospital. Thanks to the cross-border activities developed, some concrete obstacles came to light: legal uncertainty of French doctors and care personnel working for the cross-border hospital for medical acts they accomplish in Spain; lack of legal certainty about the legal framework (employment contracts) for French workers; multiple legal problems in the field of cross-border mobile emergency and reanimation services and of urgent medical assistance outside the hospital (coverage of costs for cross-border medical emergency care,) etc.
- 90. Therefore, the programme should continue supporting projects on the health sector as there is a high potential for development in order to increase access in low population density areas and to obtain efficiency gains in other areas. Sharing infrastructure can be a solution in territories with poor access to medical services.

• Inclusion

91. In respect of social factors, comparisons are problematic at the regional level as for many indicators data is only available at the national level in France¹⁵. On the basis of the available information, the overall assessment is positive with better results for all indicators on both sides of the border than the EU average.

¹⁴ Indicator principally reflects NUTS 2 level data from Eurostat covering 'Road fatalities', 'Healthy life expectancy', 'Infant mortaility', 'Cancer disease death rate', 'Heart disease death rate' and 'Suicide death rate'

¹⁵ Data is available at NUTS 2 level for Spain

- 92. As regards "people at risk of poverty or social exclusion" the national level in France is much lower than the national average in Spain. However the Spanish border regions perform much better than the national average and slightly better than the French national rate. Considering "people living in severe material deprivation", results are quite positive in both countries (less than half of the EU average).
- 93. In terms of "numbers of people living in households with low work intensity", France and Spain are rated below the EU average of 10.8%, with France performing a bit better than Spain.
- 94. As it occurs for health care services, accessibility to social services is more difficult in central areas of the border than in the extremes. Actions to exchange/disseminate data and information on social services as well as common use of certain infrastructures could be envisaged.

ORIENTATIONS:

- Encourage multi-level partnerships to analyse and tackle specific barriers/obstacles identified in relation to cross-border employability such as recognition of skills/qualifications/diplomas, social security, pensions, transport, schools/kindergarten, etc
- Promote cross-border labour mobility, in particular by supporting actions to reduce the gap in information provision about the conditions for cross border employment. (EURES Info Points).
- Encourage cross border cooperation between HE and VET institutions in the border regions as an important element in supporting growth and competitiveness. This should include cooperation to better align the demand and supply of the labour market in the long run.
- Support more extensive and structured language-learning activities as a vector for building trust but also as an employment-boosting factor.
- Consider investing in joint education schemes in areas where accessibility is not a hindrance or using digitised tools and methods.
- Develop an integrated approach to cross border planning and provision of a range of health and social services. This includes increased use of digital tools and reorganised care models with the overall objective of making health systems more effectively accessible and resilient. This appears to be particularly needed for the residents in the central regions along the border.

7. GOVERNANCE

Section 1: Cross-Border Governance in a wider context (and use of the new "Interreg Governance" specific objective)

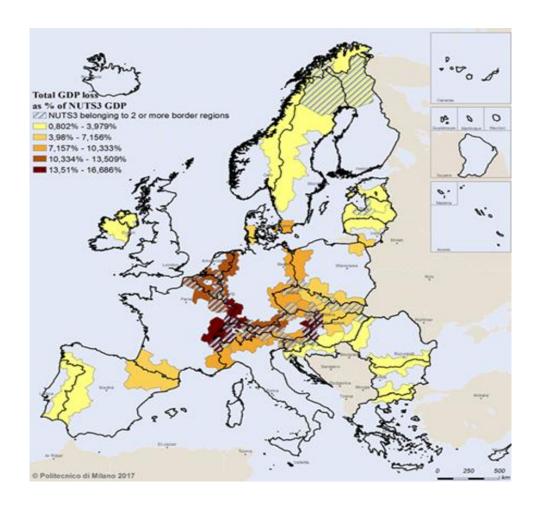
- 95. Cross-border cooperation is not limited to Interreg programmes. It also builds on policies (e.g. cross-border mobility), on legal instruments (e.g. bi-lateral agreements, treaties, European Groupings of Territorial Cooperation) and on funding (including but not limited to Interreg).
- 96. Actions and orientations set out in this section may be supported by using part of the programme's budget as proposed in the ETC (Interreg) Regulation for improving governance issues.

• Working on border obstacles and potential

- 97. As illustrated in the Commission Communication "Boosting Growth and Cohesion in EU Border Regions", there are many different types of obstacles to cross-border cooperation. There is also scope for greater sharing of services and resources in cross-border regions. Among the obstacles, legal, administrative and institutional differences are a major source of bottlenecks. For this border it should be noted the strong difference between the governance systems in France and Spain (i.e. allocated powers, political & administrative actors). In general, functions and competences are relatively more decentralised in Spain with local/regional authorities and agencies having more autonomy than is the case with their French counterparts. This requires bigger efforts among between different levels of administration and government to enable effective cross border collaboration.
- 98. Other issues include the use of different languages or lack of public transport for instance. When it comes to unused potential, the shared use of health care or educational facilities could contribute greatly to improving the quality of life in border regions. As the Interreg programmes are instrumental to effective cross-border cooperation, they should seek to address these particular obstacles and tap the common potential to facilitate cooperation in this wider context. The map below illustrates the GDP loss in border regions if such obstacles are not tackled.

ORIENTATIONS:

The 2021-2027 Spain-France programme should identify the key obstacles and unused potential (e.g. cross-border labour market hindrances, health care, transport connections, use of languages, etc.), bring the relevant actors together (e.g. authorities at national/regional/local levels, enterprises, users, etc.) and facilitate the process of finding ways to reduce these obstacles or exploit the potential (e.g. by funding meetings, experts, pilot projects, etc.).



• Links with existing strategies

- 99. Cross-border cooperation cannot be done in isolation. It has to be framed in existing strategies (e.g. national, regional or sectoral). Ideally, there should be a dedicated cross-border strategy which is based on reliable cross-border data, which is politically supported and which has undergone a wide consultation with relevant stakeholders. It is a useful exchange forum and a necessary step for sustainable and structural cooperation (i.e. a Monitoring Committee is not sufficient as its focus is on funding and not on designing a development strategy with strong political support). This border area has taken steps in this direction.
- 100.In November 2018, the Working Community of the Pyrenees (CTP) signed the Pyrenean Strategy, an action plan that establishes the development priorities of the Pyrenees to contribute to the improvement of the life of its inhabitants during the next 7 years (from 2018 until 2024). Two French regions (Nouvelle-Aquitaine and Occitanie), four autonomous regions in Spain (The Basque Country, Navarra, Aragon and Cataluña) and Andorra participated in the process. The Pyrenean Strategy is the result of collaborative work between the members of the CTP and the agents of the territory. It provides the framework to allow that all public investments, from the different regions, from the different local bodies, from the different funds, go in the same direction, providing a more strategic approach to the work developed by the CTP.

ORIENTATIONS:

The 2021-2027 Spain-France programme should be embedded in the strategy with clear actions and results (e.g. through the intervention logic and indicators). In addition, the programme should be well coordinated with existing national, regional or sectoral strategies (e.g. with an analysis on how to translate these in a cross-border context). This requires a coherent overview of all existing strategies (i.e. have a mapping of the strategies affecting the border area).

Role of existing cross-border organisations

- 101.At national level, the Treaty of Bayona between Spain and France, signed in 1995 is the framework in which the actions of cross-border cooperation between both countries take place. This Treaty was amended in 2010 to include Andorra. At the regional, departmental/provincial and local level, a very large number of bilateral and multilateral cooperation agreements have been signed.
- 102.Besides, several regions have cross-border entities which are established under EU law (e.g. European Groupings of Territorial Cooperation EGTC), national law (e.g. private law associations or public law bodies) or international law (e.g. under bilateral agreements). In this border, there are two Euroregions covering most of the cooperation territories, with the exception of Aragon and Navarra. The Pyrénées-Méditerranée (2009) with its main fields of action in culture, innovation, sustainable development, higher education and tourism and Aquitaine-Euskadi-Navarre (2011) founded to carry out common actions to strengthen the economic, social and cultural development. Both Euroregions are structured as EGTCs.
- 103. There are also numerous examples of cross border EGTC at local level such as the Cerdagne Hospital (2011) for the development and implementation of cross-border projects in the health sector; Espacio Portalet (2011) created to jointly manage and maintain the mountain passage of El Portalet road; Huesca Pirineos Hautes Pyrénées (2014) with the aim of stimulating the development of a sustainable model of cross-border tourism; Paus d'Art et d'Histoire Transfrontalier Les Vallées Catalanes du Tech et du Ter (2015) and European Mycological Institute (2016).
- 104. The Working Community of the Pyrenees (CTP) requires special mention. This entity was born in 1983 with the support of the Council of Europe to provide the Pyrenean area with a structure of cross-border cooperation similar to those existing in other European borders. In 2005, the CTP was transformed in a Consortium, a legal entity subject to Spanish public law. This change allowed the CTP to be the managing authority for the 2007-2013 programme for the first time and to continue in the 2014-2020 period.

ORIENTATIONS:

The 2021-2027 Spain-France programme should build on the legitimacy, experience and expertise of these cross-border organisations. Where they are a legal body, they could play a role e.g. by managing a Small Projects Fund or by managing strategic projects (as sole beneficiary, in particular for the EGTCs).

Links with other Cohesion policy programmes

- 105. The proposed Common Provisions Regulation stipulates that "each programme shall set out, for each specific objective the interregional and transnational actions with beneficiaries located in at least one other Member State". Whilst a similar provision was already present in the past, it is now compulsory for the mainstream programmes to describe the possibilities for cooperation for each specific objective.
- 106. It means that if mainstream programmes do not plan such cooperation actions, they will have to justify why. This may have many benefits for cross-border areas: more ambitious projects (e.g. joint infrastructures), involvement of new players (e.g. the national authorities such as Ministries) and overall more ambitious policies (e.g. spatial planning with associated funds).

ORIENTATIONS:

The 2021-2027 Spain-France programme should establish (or participate to) a strong coordination mechanism with the authorities managing mainstream programmes, in concrete, for the regional programmes of Aragon, Cataluña, Basque Country, Navarra and La Rioja in Spain and Nouvelle-Aquitaine, Occitanie and interregional "Pyrénées" programme in France. This coordination implies exchange of information and cooperation and should happen at all stages: planning (e.g. designing complementarities), implementation (e.g. building on synergies) and communication (showing the benefits for the citizens and the region). Due to the number of regions and programmes involved, this will be particularly challenging.

• Cross-border data

107.In order to have good public policies (e.g. spatial planning), these should be based on evidence (i.e. data, studies, mapping). Whilst this is generally available at national level, it is not always the case at regional/ local level and even less at cross-border local level. Some of this evidence is particularly important: economic flows, transport flows and trends, labour mobility and mapping of competences, health of the citizens, mapping of important infrastructures and services (such as energy, waste treatment, hospitals, emergency services, universities), mapping of risky areas (to floods, fires, etc.), mapping of natural areas (e.g. Natura 2000, sites under the Ramsar convention of wetlands, etc.) and mapping of the main inclusion difficulties (poverty, marginalised communities, etc.).

ORIENTATIONS:

The 2021-2027 Spain-France programme should identify the areas where important cross-border data is missing and support projects that would fill the gap at the latest by 2027 (e.g. in cooperation with national statistical offices, by supporting regional data portals etc.).

Section 2: Governance of the programme

• Financial performance

108. The 2014-2020 Spain-France-Andorra programme showed a long designation procedure. The first selection of projects took place one year after the approval of the programme. This is a reflection of deeper underlying bottlenecks and structural problems.

ORIENTATIONS:

The 2021-2027 Spain-France programme should undertake a systematic analysis of the key factors having an impact on the slow take-off of the programme(s) and take targeted mitigating measures to accelerate the programme implementation for this new programming period. Where appropriate technical assistance can be used for developing a roadmap for administrative capacity building with defined activities.

• Partnership principle

109. The principle of partnership is a key feature covering the whole programme cycle (including preparation, implementation and participation in monitoring committees), building on the multi-level governance approach and ensuring the involvement of economic, social and environmental partners. Examples of good practice include involving representatives of different interests in the programming process; involving them in programme evaluation or other strategic long-term tasks for instance by setting up temporary working groups; consulting all members on key documents also between meetings. An active involvement of economic, social and environmental partners should be ensured by their participation in key steps. Technical Assistance can be made available to facilitate their full involvement in the process.

• Role of the monitoring committee

110. The monitoring committee is the strategic decision-making body of the programme. In 2021-2027 the monitoring committee will be given a more prominent role in supervising programme performance.

ORIENTATIONS:

The monitoring committee currently concentrating on project selection should be invited to widen their scope of action and take on a more strategic role. Good practices include having strategic discussions as a standing agenda point, inviting contact points of institutions playing a key role in the border area, organising project visits. Some examples of strategic discussion themes: border obstacles, cross-border data needs, inclusion of SMEs, NGOs and other under-represented beneficiaries or target groups of the programme.

111. The composition of the monitoring committee must be representative of the cross-border area. It must also include partners relevant to programme objectives (i.e. priority axis), e.g. institutions or organisations representing environment, SMEs, civil society or education.

- 112.**Project selection** shall take place in the monitoring committee or in steering committee(s) established under the monitoring committee in full respect of the partnership principle. It is crucial that all are involved in the process. Selection criteria and its application must be non-discriminatory and transparent. They should also be clear and they must enable the assessment of whether projects correspond to the objectives and the strategy of the programme. In this respect, as the intermediate evaluation of the 2014-2020 period has noticed, this programme should pay more attention to the specific selection criteria for each axis, in order to better prioritise the projects that most contribute to the strategy of the programme and the achievement of the indicators.
- 113. They are to be consulted with the Commission and communicated to applicants in a clear and systematic way. The cross-border dimension should be compulsory in every selected project. The programme might consider the use of independent expert panels for preparation of project selection. Larger strategic projects / flagship projects (i.e. designed and implemented by public authorities without a call) may be pre-defined in the programme document or selected via a transparent and agreed procedure. It is up to each programme partnership to decide on the optimal balance between different types of projects to reach the overall programme objectives (flagship projects, regular projects, bottom-up or top-down project selection, small projects etc).
- 114. **Decision-making** must also be non-discriminatory and transparent. The procedure should also be inclusive. Each monitoring (or steering) committee member shall have a vote. Voting by delegation should not be encouraged unless it is transparent and puts weaker partners at equal footing with "institutional" partners.

• Role of the managing authority

115. The managing authority shall ensure effective implementation of the programme. The managing authority is also at the service of the programme and its monitoring committee. It acts as the programme authority representing all countries participating in the programme.

ORIENTATIONS:

The managing authority shall ensure the effectiveness and transparency of the project selection, reporting and monitoring systems. The use of Interact's Harmonised Implementation Tools and electronic monitoring system (eMs) is recommended if relevant.

• Role of the Joint Secretariat

116. The Joint Secretariat (JS) should ideally be the cross-border executive body of the programme at the service of the managing authority. It should consist of professional and independent staff from the participating countries. The JS should possess representative linguistic competence and relevant border country knowledge. Its procedures should be efficient and transparent. Communication with beneficiaries, potential applicants and the general public should be ensured mainly by the JS. **Regional contact points/antennas** operating directly under the JS' responsibility may be useful in border areas characterised by large distances and/or difficult accessibility.

• Trust-building measures

- 117.Effective cross-border cooperation requires a good level of trust between partners. In this respect, this border shows very good result. According to the Eurobarometer, 89% of respondents would feel comfortable with having a citizen from the partner country as a work colleague, family member, neighbour or manager. This is higher than the EU average of 82%. Cultural barriers are also low. Indeed, this is one of the programmes where cultural differences are least significant (only selected by 21% of respondents, while EU average is 32%). This assessment is based on a combination of perceptions of language barriers, cultural differences and trust of people living on the other side of the border.
- 118. However, trust needs to be built and maintained. This is a long-term investment which aims at fostering cooperation-minded future generations. The Interreg programmes can make a substantial contribution by providing financial support for trust-building activities such as linking up schools, sports clubs, cultural organisations, etc. The beneficiaries of such activities are often not equipped to manage full-blown Interreg projects.

ORIENTATIONS:

It is highly recommended to put in place mechanisms to finance smaller projects or people-to-people projects that make a strong contribution to the social and civil cohesion of the cross-border region. This can be done using the new tool proposed by the Commission (the Small Projects Fund) or via specific calls managed by the Managing Authority itself.

• Conflict of interest

119.Conflict of interest between decision-making bodies and applicants and beneficiaries is to be avoided at any moment, including project generation, project preparation, project selection and project implementation. One way to avoid this is to ensure a proper segregation of duties between institutions and persons.

• Communication and publicity

120. Appropriate measures in line with the communication guidelines need to be taken by all involved authorities and beneficiaries like e.g. identification of communication officer per programme, establishment of a website per programme and use of the term 'Interreg' next to the emblem of EU. Responsible authorities are encouraged to explore the possibilities to receive targeted funding under the Interreg Volunteers Youth Initiative (IVY), which has now also made budget available for citizens' engagement activities.

Existing sources of information

- Border needs study (Commission, 2016) <u>Collecting solid evidence to assess the needs to be addressed by Interreg cross-border cooperation programmes Regional Policy European Commission</u>
- EC ex-post evaluation of ETC 2007-2013http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#11
- European Territorial Cooperation best practices and innovative measures, European Parliament, 2016 <u>REPORT on European Territorial Cooperation - best practices and innovative measures - A8-0202/2016</u>
- Quantification of the effects of legal and administrative border obstacles in land border regions (Commission, 2016) – <u>quantification of the effects of legal and administrative</u> obstacles in land border regions - Bing
- Easing legal and administrative obstacles (Commission, 2017) <u>Easing legal and administrative obstacles in EU border regions Regional Policy European Commission</u>
- 10 pilot projects selected under b-solutions <u>b-solutions</u>: the 10 successful cases <u>announced | FUTURIUM | European Commission</u>
- Comprehensive analysis of the existing cross-border transport connections and missing links on the internal EU borders (Commission, 2017-2018) https://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/cb_rail_connections_en.pdf
- DG SANTE's study on cross-border health care <u>Building Cooperation in Cross-border</u> <u>Healthcare: new study published! | FUTURIUM | European Commission</u>
- ESPON's Targeted Analysis on Cross-Border Public Services | CPS Cross-border Public Services | ESPON
- Smart Specialisation Strategies in Aragon, Cataluña, Basque Country, Navarra, La Rioja,
 Aquitania, Midi-Pyrénées and Languedoc-Roussillon.
- Strategy of the 2014-2020 programme (ex-ante evaluation, SWOT, priorities, evaluations)
- La Mission Opérationnelle Transfrontalière (MOT) http://www.espaces-transfrontalière (MOT) http://www.espaces-transfrontalière (MOT)
- Eurobarometer No 422 conducted in border regions in 2015, http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/FLASH/surveyKy/1565
- Estrategia Pirenaica https://ctp.org/noticias/es_epi_final_.pdf