Border Orientation Paper

Greater Region



1. INTRODUCTION

This document sets out key characteristics of the cross-border region between France, Germany, Luxemburg and Belgium. It outlines options and orientations for the programming of the next Interreg Greater Region 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 the cross-border region and with the European Commission for the 2021-2017 Greater region Interreg cross-border cooperation programme.

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

- Based on NUTS 3 level regions, the population of the cross-border area is 8 million overall (based on the geography of the 2014-2020 Greater Region programme), with 4 million in the German border regions, 2 million in the French border regions, 1.5 million in the Belgian border regions and 0.5 million in Luxembourg (in 2017).
- Over the period 2010-16 there was a very small increase in population in most of the border regions. However, there was a substantial population increase in Luxembourg (at almost nine-times the rate of growth for the EU overall; this includes the net birth/ death and net migration). In this time period the Greater Region overall also experienced (small) increases in net migration, with Luxembourg again being the exception with net migration growth at eight-times faster than the EU average.
- Population density in the border region is very high with several urban centres with extremely high density. The unweighted average density for all border regions sits at around 3.5 times the EU average.
- With regards to GDP *per capita* there are notable cross-border differences: Luxembourg has by far the highest GDP *per capita*, at more than 2.5 times the EU average. The next four highest levels of GDP *per capita* are the German border regions. The border regions of France and Belgium are all lower than those in Luxembourg and Germany and also lower than the EU average (Liège (BE) is at 86% of the EU average and Lorraine (FR) at 82%).
- In terms of changes to GDP *per capita* over the period 2010-16, there is a similar cross-border 'split'. Luxembourg and all the border regions in Germany have had an increase in GDP per capita in comparison to the EU average during this period, whilst the border regions of France and Belgium have seen a fall in GDP per capita relative to the EU average.
- In terms of unemployment rates, in general there are significant cross-border disparities, with Belgian and French regions generally having far higher unemployment rates and long-term unemployment rates than neighbouring regions in Germany and Luxembourg.
- The number of cross-border commuters in the Grande Région is 220.000 every day.
- The Greater Region is one of the oldest structured cooperation areas in the EU as it started in 1969 when Chancellor Kiesinger and General de Gaulle decided to create a French-German Intergovernmental Commission (together with Luxemburg from 1970) to work on the mining and steel industry crisis. In 2005, the first Summit of the Greater Region took place. In 2014, a permanent Secretariat of the Greater Region was created (as an EGTC).
- Therefore, the Greater Region has become a political body as such. It has also developed a strategy with actions on the following topics: mobility and territorial development, education and lifelong learning, tourism and culture, economy and competitiveness, society citizens security and environment sustainability. The territory of the Greater Region is larger than the territory of the Interreg V programme (e.g. it includes the entire Wallonia Region and the entire Land of Rheinland-Pfalz).

- The Border Needs Study indicated that only 28% of the people living in the Greater Region perceive cultural differences as a problem for cross-border cooperation.
- In the past periods, the Greater Region Interreg programme functioned well: there is a real willingness to cooperate and this has led to the implementation of good projects. In 2014-2020, the programme focused on an integrated labour market (including education, training and mobility), the environment, quality of life of the citizens and competitiveness.
- This analysis and the subsequent orientations focus on key elements which will have a visible improvement in the daily lives of the citizens and which are feasible. It is not possible to cover all the issues, as it is not possible to solve all the problems. In addition, we should aim for results and hence concentrate on those issues that can be improved. This analysis may also require funding from ERDF mainstream programmes, national sources and private sources.

Treaty of Aachen between France and Germany

- On 22 January 2019, France and Germany signed the Treaty of Aachen, which is a bilateral Treaty on the Franco-German cooperation and integration. It follows the Treaty of the Elysée signed in 1963. The objective is to reinforce the convergence of the two countries in the following areas: economy, foreign policy, education, culture, research, climate, environment and cross-border.
- The cross- border cooperation is specifically mentioned:
 - Recognition of the importance of cross-border cooperation to bring citizens and enterprises closer together.
 - Objective to reduce cross-border obstacles to facilitate the daily life of citizens along the border.
 - More power is given to local authorities along the border ("appropriate competences, dedicated resources and accelerated procedures" & "derogation") so that they can implement their cross-border projects in an easy way.
 - Creation of a Committee for cross-border cooperation to coordinate all aspects of cross-border cooperation.
 - Objective to have bilingualism along the borders.
 - Better connections across the borders, including digital, roads and rail.

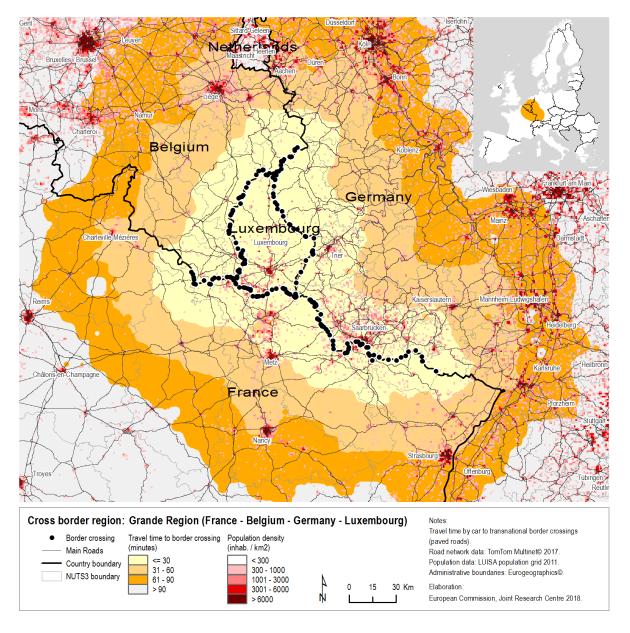
3. TERRITORIAL DIMENSION

• Typology of regions

1. The Greater Region is at quite central in North West Europe being at less than 300km from Paris, Brussels, Rotterdam and Francfort. It is surounded by big urban areas such as Brussels, the Rhine-Ruhr region, the Rhine-Main region, the Rhine-Neckar region, Basel/Mulhouse and Paris. It does not have big metropolitan areas but covers several urban areas. The rest of the territory is rural and industrial.

• Functional areas

- 2. Interreg programmes may cover several overlapping functional areas depending on the topic (e.g. for the access to health facilities it can be larger as patients would be ready to travel further away to a hospital as this is occasional whilst it can be smaller for the access to the place of work as this is daily).
- 3. For some topics, the solution can only be found if partners outside the programme area are involved (e.g. to reduce the risks of floods, you may need to reintroduce wetlands or dams upstream of a river but outside the programme area). For some other topics, the solution is very local, on an area much smaller than the programme (e.g. to have a cross-border tram line in an urban area which is on both sides of a border; to promote daily commuting for work).
- 4. The proposal to address the issues through a functional area offers some flexibility in planning and implementation so that linkages with other partners can be more easily established. The Monitoring Committee shall have the competence to decide on projects outside the programme area, but with clear benefits for the cross border region.
- 5. The travel time to the border is important to establish which types of cooperation are possible (e.g. as a citizen you might consider working across the border every day if the border is 30 minutes away (but not if it is 90 minutes) or going to a hospital occasionally even if it is 90 minutes away). For the Greater Region, the situation is as follows:



- 6. This map shows that mobility (by road) is not an obstacle to cross-border cooperation. Indeed, the time to reach the border is only dependant on the distance to the border and there are no areas which are close to the border, but with a long travel time due to natural or infrastructure obstacles (i.e. the travel time to the border of less than 30 minutes the part in light yellow on the map is broadly parallel to the border). This can be explained by a good road network and by numerous border crossings.
- 7. In addition, the map shows the high potential for cross-border cooperation with many big cities located along the border (i.e. Luxemburg, Trier, Saarbrücken and Metz).
- 8. In terms of functional urban areas, the whole of Luxembourg (LU) and the Luxembourg-Germany border region (Luxembourg Trier) is marked as a 'commuting zone'.
- 9. In terms of isolated areas (regions that are seen as being peripheral in that they display substantial differences in certain respects with their neighbouring regions within the same cross-border region), the Greater Region has several such areas when they are assessed on the basis of poor economic performance. Isolated areas displaying low levels of economic

performance relative to their neighbouring regions include Moselle in France, areas within Rheinhessen-Pfalz and Saarland in Germany as well as Verviers, Bastogne and Virton in Belgium.

- 10. The Greater Region does not participate to a macro-regional strategy and it does not have cross-border urban areas.
- 11. The Greater Region is working on spatial planning through its 'Comité de Coordination du Développement Territorial' (which exists since 2008 under the Greater Region political body). So far, it has focused on urban issues, transport and joint statistics.

• Pôle métropolitain frontalier du Nord-Lorraine

- 12. In January 2019, several municipalities in the north of Lorraine created a joint metropolitan area ("Pôle métropolitain frontalier du Nord-Lorraine"). It groups 9 municipalities with 340,000 inhabitants (including Longwy and Thionville) out of which 30% of the working population are cross-border commuters (this represents about 70% of the 90,000 people from Lorraine that cross a border every day to work).
- 13. There is ambitious project which aims to facilitate the life of citizens on cross-border issues such as mobility, economic development (e.g. industrial reconversion, taxation to attract enterprises, etc.), health and education.
- 14. This Pôle métropolitain frontalier du Nord-Lorraine could cooperation with the current EGTC Alzette-Belval (between Luxemburg and France).

• Département of the Ardennes

15. The département of the Ardennes in France has signed an agreement with the Greater Region (political body) and has currently an observer status. This may leader to a full membership.

ORIENTATIONS:

- Design the actions of the 2021-2027 Greater Region programme based on functional areas which depend on the issue rather than on the administrative scale defining the programme area. Authorities are encouraged to use the different available tools to support functional areas like e.g. European Grouping of Territorial Cooperation EGTCs -, Euroregions, Integrated Territorial Investments, Community Led Local Developments, metropolitan areas, natural parks, etc..
- Consider supporting the Pôle métropolitain frontalier du Nord-Lorraine in its crossborder activities.
- Consider including the département of the Ardennes to the Greater Region programme if it joins the Greater Region (political body).

4. GROWTH, COMPETITIVENESS AND CONNECTIVITY

• Innovation

- 16. In terms of the 'Regional Competitiveness Index' (RCI), the combined scoring for all indicators ranks the Greater Region as almost 20% above the EU average (i.e. substantially more competitive).
- 17. Amongst the regions of the Greater Region there is a mix of different levels of regional competitiveness, with some parts assessed to be highly competitive or competitive, and others assessed to be less competitive. However, all regions are assessed as being relatively competitive in comparison to EU averages and as either (a) having an existing Knowledge-Economy or (b) having the potential for the development of a Knowledge Economy.
- 18. The level of patent applications in a region has been used as one indicator of innovation activity and of innovation potential. Many of the regions within the Greater Region have levels of patent applications considerably above their respective national averages, although there are differences both between regions in the same country and between regions across borders. In particular, several of the German border regions demonstrate very high levels of patent applications (Neustadt-an-der-Weinstrasse, Bad Dürkheim, Mainz-Bingen, Rhein-Pfalz-Kreis), these specific regions being at a much higher level than both the national average for Germany and also much higher than the levels in the border regions in Belgium, France or Luxembourg.
- 19. The conditions for supporting effective growth in competitiveness and innovation-based development, and the critical mass to support innovation and cooperation, are therefore very much present in the border region. The region as a whole has strong institutional capacities, stable macroeconomic conditions, good regional infrastructures, healthy populations, relatively high shares of employment in Knowledge Economy or high-tech sectors, the presence of regional larger-scale markets (many urban/metropolitan centres) and high levels of technological readiness.
- 20. Several regions of the Greater Region have a Smart Specialisation Strategy focusing on different policy areas:
 - Lorraine: industry, sustainable energy and health;
 - Wallonia: creative economy, aeronautics, agro-industry, digital technologies, mechanical engineering, transport, health, sustainable materials and chemistry;
 - Luxemburg: eco-technologies, health, industry, ICT;
 - Saarland: ICT, industry, life sciences;
 - Rheinland-Pfalz: industry, ICT, energy, life sciences, health, digital technology;
 - Hence, the areas with potential for cooperation could be: industry, health, energy, life sciences, technologies and ICT.

- 21. The 2014-2020 Greater Region Interreg programme, like many others has a priority axis on research/innovation. This is often a successful axis which the partners appreciate and may be willing to continue in post-2020. However, in the case of research projects, this should be considered carefully as only projects that really benefit directly the Greater Region and that require cooperation should be funded (e.g. research on a subject which is specific to the Greater Region, which brings more jobs to the region, which makes SMEs of the regions more competitive, etc.). Research projects which do not have a direct impact on the Greater Region are not a priority, especially as they could be funded through Horizon Europe or ERDF Investment for Jobs and Growth programmes and may be more efficient with partners located outside the Greater Region.
- 22. Wallonia and Grand Est participate to the pilot project 'Industrial transition'. The Grand Est has selected the project "Cluster Grand Est dédié à la transition énergétique".

• Enterprises

- 23. The Greater Region has two specific features regarding enterprises: it is a large market (populated with a big variety of actors) and there is a differentiated economic development.
- 24. However, for many enterprises it is still not natural to find suppliers or customers on the other side of the border. For this to happen, cross-border business advisory support would be useful.
- 25. The Greater Region has many different enterprises (big, medium and small covering several economic sectors) and this asset would benefit from networking and clustering.

• Mobility

- 26. There is an institutional asymmetry between cooperation partners in the Greater Region impacting negatively on the harmonisation of public transport services. Indeed, the Greater Region includes a nation state (Luxembourg), two German Federal Länder (Rhineland-Palatinate, Saarland), various regional/ local and central-state authorities in France (Région Grand Est, Préfecture of Grand Est, three départements) as well as federal, regional and local authorities in Belgium. Although the majority of public transport issues are formally under the competence of parties in the Greater Region, this institutional asymmetry makes cooperation problematic.
 - For example, on the territory of the EGTC Alzette-Belval (FR-LU), 7 different transport organising authorities coexist. Agreements for coordinated local public transport offers are possible, but the multitude of stakeholders makes it very difficult. Joint discussions about these issues are also taking place at the level of the entire Greater Region. However, certain factors make progress in practice very difficult (i.e. the vast territory, existence of many operators, different approaches of service scheduling, etc.).
- 27. In terms of roads, transport connectivity is generally good. Data on the density of motorways in the region (measuring the length of motorways relative to the area and population size) shows that all regions in the Greater Region have density levels above the EU average.

- 28. However, this high density of roads is still insufficient to cope with the traffic of private cars, which is partly due to the weaknesses in public transport. This has considerable negative effects for the citizens (e.g. traffic jams), for the enterprises (e.g. staff less available in the office) and for the environment (e.g. pollution).
- 29. In terms of rail, the percentage of the population having access to cross-border rail services is assessed by the Border Needs Study as being at a mid-range in comparison to other EU border regions, with between 25-40% of the population having access to such services. There are differences in terms of average frequency of cross-border rail connections between the different regions. Whilst services crossing the Germany-Luxemburg, France-Luxemburg, and France- Germany borders are assessed as relatively frequent (30-45 minutes average intervals), those crossing from Belgium to France and from Belgium to Luxemburg are assessed as less frequent (45-60 minutes average intervals).
- 30. The cross-border transport study carried out by the Commission identified the Trier (DE) Thionville (FR) Metz (FR) route (Saarland Lorraine) as being not 'fully exploited' at present and at the same time as having high importance for the border region. An improved direct connection would ease rail transport between Trier and Metz, whereas currently a detour is necessary via Luxembourg or Saarbrücken.
- 31. There is an other important rail connection which could be operational in 2024 and which could become flagship projects as it would have a large impact and would visibly improve the daily lives of citizens (and could therefore be explicitly mentioned in the Greater Region programme): the Strasburg (FR) Sarreguemines (FR) Saarbrücken (DE) link. For this connection, no infrastructure is needed as it already exists. The only investment is to adapt the trains to the different systems in FR and DE (e.g. security requirements). As the timetable may be tight, a good planning is important (and a coordinated approach with the Upper Rhine programme).
- 32. As the Greater Region is one of the most developed regions in the EU, it is likely that the regional programmes in France, Germany and Luxemburg will not have funds directly available for transport.
- 33. However, cross-border transport projects can benefit from Interreg programmes in 3 ways:
 - Fund preparatory and coordination work (e.g. studies, networks, meetings, etc.);
 - Use a significant share of the budget to fund 1-2 strategic transport projects;
 - Initiate the transport project (e.g. a feasibility study) to make it become real and credible ("the EU supports it") so that it can then find its way to additional EU/national/private funding (e.g. Connecting Europe Facility).

• Digital

34. In terms of digitisation, most information is only available 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.

35. At national level, the main trends are:

- In terms of government characteristics with regard to digitisation, on 'quality' both Luxembourg and Germany are rated 'high', whilst France and Belgium are both rated 'medium'.
- On the availability of services, France, Belgium and Germany are all rated slightly above the EU average on automated services and/ or online services, whereas Luxembourg is rated relatively low. In terms of availability of services online for non-country nationals, Luxembourg is rated relatively low (and well below the EU average), France is broadly at the EU average, whilst Belgium is a little above the average and Germany has a relatively high score on this indicator.
- In terms of the overall 'Digital Economy and Society Index', the four countries are all at a broadly similar level, with France and Belgium having the highest ratings.
- France and Germany have a slightly higher score on the provision of Digital Public Services for Businesses, although all four countries are relatively close to the EU average.
- In terms of e-Health services, Germany and France both score low, in relation to the EU average, with Belgium and Luxembourg both delivering above the EU average.
- 36. E-government is one of the priorities of the Commission and should therefore be pursued. In a cross-border region such as the Greater Region, e-government can facilitate the daily lives of citizens in their cross-border activities.

ORIENTATIONS:

- Focus on a limited number of high-priority, more advanced forms of innovation collaboration in very specific areas, rather than on broad 'generic' innovation support measures (which are largely in place already). In particular, under the Smart Specialisation Strategies, there is potential for cooperation on industry, health, energy, life sciences, technologies and ICT.
- Encourage the regions participating to the Greater Region to work together in the revision of the Smart Specialisation Strategies so that they are well coordinated and identify possible areas of cooperation.
- Support research activities provided they show direct benefits to the cross-border area (demand-driven by business and society) or address topics directly relevant to the area.
- Promote cross-border networking, cluster development and cooperation for the deployment of joint cross-border innovative projects. In this context, cross-border cooperation between innovation centres and business incubators should be supported.
- Encourage the cooperation of enterprises with a special focus on finding complementarities, exchanging knowledge and joining forces in selling their products (through networking and clustering).

- Support the potential for new enterprises arising from research and innovation (spin-offs, start-ups, scaling-up, clusters, innovation hubs, etc.).
- Facilitate the internationalisation of SMEs, especially to have cross-border suppliers and customers. This could be done through cross-border business advisory support.
- Facilitate the planning or implementation of transport investments as well as the coordination of the different transport regulations (ticketing, security, etc.) with the aim to improve the quality and regularity of cross-border rail connections, especially those used by commuters.
- Coordinate with the ERDF regional programmes (which will have a strong focus
 on research and innovation in the regions of the Greater Region), the national /
 regional programmes, Connecting Europe Facility and private investors to have
 cross-border transport projects funded under other funding instruments.
- Facilitate the cooperation between stakeholders (rail authorities, users, investors, public authorities, etc.) in order to progress on the following cross-border links:
 Trier (DE) Thionville (FR) Metz (FR) route (Saarland Lorraine).
- Consider the financing of the following rail link: Strasburg (FR) Sarreguemines (FR) Saarbrücken (DE).
- Develop e-government at regional and local level (as this is a key action arising from the Communication on border obstacles).
- Consider investing in increased digitisation of the Greater Region, on the basis of a commonly agreed cross-border strategy and action plan. Focus this investment on improving general conditions for joint e-services in education, health care, business support, cultural cooperation which can foster jobs and growth.

5. GREENER, LOW CARBON ECONOMY

• Energy transition

- 37. In terms of renewable energy, solar and hydro potentials are relatively low. However, there is more potential for biomass (already present from straw and wood).
- 38. In addition, there is a favourable economic environment for investments in renewable energy as the cost of capital for investments (availability of capital, expected rates of return, interest rates, etc.) is relatively low for most of the Greater Region compared to EU averages and is even amongst the lowest in the capital markets of the EU. This makes it possible to have investments in renewable energy which are profitable.
- 39. However, in the Greater Region, there is an issue regarding the funding of renewable energy projects due to state aid rules.

• Circular economy

- 40. We do not have sufficient data at NUTS 3 level. However, there are big differences between the countries which creates opportunities to align to the best performing regions of the Greater Region (e.g. through exchange of experiences, sharing infrastructures, etc.).
- 41. At national level, France (at 23%) puts the highest share of waste into landfill, followed by Germany at 11%, Luxembourg at 6% and Belgium at just 3% (EU average = 25%). The generation of waste *per capita*, excluding major mineral wastes, is by far the highest in Belgium at 3,119 kg *per capita*, followed by Germany at 1,908 kg per capita, Luxembourg at 1,617 kg *per capita* and France at 1,445 kg per capita (EU average = 1,717 kg *per capita*).
- 42. France (at 42%) recycles the lowest share of municipal waste, followed by Luxembourg at 48%, Belgium at 54% and Germany with the highest rates at 66%. (EU average = 45.8%).
- 43. The Greater Region is highly densely populated and creates opportunities to have joint facilities. This has already started with, for example the cross-border centre to recycle green waste (located in Sarreguemines) and produce biogas (co-funded by Interreg).
- 44. The Commission recommends (through the 'input papers') that SMES make their business processes more circular and that they make a better use of resources.

• Climate adaptation

45. The regions in the Greater Region have been assessed as having low to medium environmental sensitivity to climate change. More specifically, there are a number of sites that have potentially significant flood risks, especially in the Germany-Luxembourg border areas and the Moselle valley.

• Risk management

46. There are still many obstacles affecting joint/ shared emergency services. Indeed, there are different regulations and administrative practices between the countries of the Greater Region as well as competences spread across different levels of government in each country. This implies losses in efficiency and flexibility in the case of emergencies that have a cross-border relevance.

• Natural areas and biodiversity

- 47. There are many Natura 2000 sites, nationally designated areas of protection, cross-border natural areas and connected ecosystems. There are also two 'Ramsar' sites (internationally important wetland site) within the Greater Region, one of which is transboundary on the Belgium- Luxemburg border, and a number of recognised grassland ecosystems. Hence, several areas within the Greater Region are assessed as having potential for Green Infrastructure networks, with a relatively high capacity to deliver ecosystem services.
- 48. The Greater Region generally has high 'fragmentation pressure' because of urban and transport infrastructure expansion. This pressure is highest in Luxembourg and in the regions of France and Germany bordering Luxembourg.
- 49. The Commission adopted an EU strategy on Green Infrastructure (GI) in 2013 to enhance economic benefits by attracting greater investment in Europe's natural capital. GIs 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 (or blue if aquatic ecosystems are concerned) and other physical features. In certain sectors, in particular climate change mitigation and adaptation, green infrastructures approaches can offer complementary or more sustainable alternatives than those provided through conventional civil engineering. As GIs do not know borders and as they require a good planning with many stakeholders, they could be supported through Interreg programmes where appropriate (e.g. cross-border flood plains to prevent flood risks).

ORIENTATIONS:

- Develop renewable energies focusing on biomass (especially from straw and wood)
 e.g. through small-scale cross-border energy production for biomass (including joint
 infrastructures). NB: In this case, a thorough assessment of the planned installation
 would need to be done so as to ensure that all relevant environmental standards are
 respected, including those related to air quality.
- Establish joint projects on renewable energies and resource efficiency.
- Develop cross-border facilities for the joint treatment of waste.
- Exchange knowledge on practices to reduce waste and recycle it. Those regions who have the best result should provide expertise and share experiences.
- Examine ways to expand joint emergency services (i.e. how to reduce the obstacles which have been identified) and use the potential gains in efficiency in this sector.

- Support actions to better use the potential of managing natural resources jointly (green infrastructures, fragmentation of natural spaces, water quality, etc.). The various protected transboundary spaces and the common border river provide the basis for integration of management services, and developments in these areas could be particularly important given the high index of natural and protected areas in the region.

6. EMPLOYMENT, EDUCATION, HEALTH AND INCLUSION

• Employment

- 50. The study from the Mission Opérationnelle Transfrontalière 'Dynamiques de l'emploi transfrontalier en Europe et en France' identifies the borders in Greater Region as having significant differences on each side of the border (GDP per inhabitant and unemployment rate) which offer a potential for cooperation.
- 51. There are difficulties with cross-border coverage and recognition of professional qualifications. The recognition of a professional activity abroad is easier in some professions (e.g. in the technology), but rather difficult for the health care and child care professions (especially between Germany and France) and hardly feasible in sectors such as accounting or law which are subject to national rules. In addition to impacting on access to professions and difficulties in taking up employment across the border in certain professions, these issues also lead to cross-border commuters or workers being employed in such professions at a lower level than would be the case in their own country.
- 52. With regard to labour market, the situation is as follows (data at NUT2):
 - Two of the regions, Liège (BE) at 10.5% and Lorraine (FR) at 11%, have unemployment rates higher than the EU average of 7.6% and all other regions have unemployment rates below the EU average, with the German border regions having the lowest rates (Saarland at 4.5%, Rheinhessen-Pfalz at 3.8%, Koblenz at 3.1% and Trier at 2%), along with Luxembourg (BE) at 6.7% and Luxembourg (LU) at 5.5%.
 - Long-term unemployment rates vary between the regions, although in general the rates are below the EU average. Only two regions are above the EU average long-term unemployment rate of 3.9%: Liège (BE) at 6.7% and Lorraine (FR) at 5.8%. All other regions are in a range from 1.2% to 2.6%.
- 53. On wage indicators, data is only available at the national level. The highest average wage level is in Luxembourg at 62% higher than the EU average, followed by Belgium at 42% above the EU average, Germany at 30% above the EU average and France at 19% above the EU average.

54. In terms of cross-border travel-to-work:

- According the a survey conducted in 2015 on cross-border cooperation (Eurobarometer) only 15% of those surveyed from the border regions in the Greater Region indicated that they have travelled to their cross-border neighbour for work or business purposes. The highest percentages are for cross-border travel at the borders with Luxembourg.
- In terms of absolute numbers (rather than percentages) the Greater Region does have very high levels of cross-border commuting, with regional estimates setting the figure at around 220.000 workers crossing the border on a daily basis, including 190.000 coming into Luxembourg alone.
- 55. The Greater Region has a strong potential for cross-border labour mobility. Such a mobility 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, schools/ kindergarten, etc.. To facilitate this multi-facetted policy, several borders have established 'offices' that help workers and enterprises in this regard. In the Greater Region there is an 'Eures Grande Région' office which is funded under EaSI (programme for Employment and Social Innovation) to provide advice for people willing to work or already working across the border (e.g. job vacancies, training, information on wages, taxes and social benefits, etc.). However, this is not optimal as the funding is limited in time and depends on calls so that the sustainability of these offices is not guaranteed.

- 56. In this regard the project 'Task Force Frontaliers 2.0' aims at identifying the main legal and administrative obstacles to cross-border mobility and at finding solutions. This task force is composed by the relevant partners (national, regional and local authorities and chambers of commerce) and has a permanent staff of 5 persons. The project started in 2016 and costs € 3.6 million (co-financed under Interreg V).
- 57. There are obstacles to cross-border labour market integration due to different rules for the taxation of income revenue, especially between France and Luxemburg.
- 58. Data on employment policy is available for the Greater Region through the Interregional Job Market Observatory (www.iba-oie.eu). It is a network of specialised institutes responsible for compiling comparable and interpretable data on the job market for Greater Region policy-makers.

• Education

- 59. The share of population aged 30-34 with high educational attainment is very high in Luxembourg (LU) with 53%. This is substantially higher than the EU average of 40%. All other regions in Germany, France and Belgium are at or below the EU average.
- 60. In terms of physical access to education (i.e. travel to primary and secondary schooling), most of the region has reasonably good access to schooling, although parts of the border region along the Luxembourg Belgium border have been identified as isolated areas with particularly poor access by car to both primary and secondary schools.
- 61. According to a survey conducted in 2015 on cross-border cooperation (Eurobarometer), 53% see language differences as 'a problem'. This result places the region in the midrange on this indicator in relation to other EU border regions. The highest percentages perceiving language as a problem are on the French German border (70% of French residents and 77% of German residents see this as a problem) and on the Belgium Germany border (80% of Belgian residents and 64% of German residents see this as a problem).
- 62. The 'Université de la Grande Région' is a network of 6 universities (Kaiserslautern, Liège, Lorraine, Luxembourg, Sarre and Trier). It groups more than 135,000 students, 7,000 PhD students and more than 10,000 researchers.

• Health

63. Differences between health care systems hinder cross-border access to emergency care and normal health care services. This can be very problematic in case of emergency

- situations where treatment could be given more quickly in a nearby hospital on the other side of the border rather than in a more distant 'domestic' hospital.
- 64. In addition, inhabitants of border areas who are not cross-border commuters have difficulties getting treatments on the other side of the border. Indeed, due to the lack of a cross-border third-party payment system, patients often cannot afford the necessary advance on the cost of care before they get reimbursed by their insurance.
- 65. In such a densely populated area, economies of scale through the pooling of resources or via an integrated specialisation system for health care centres could bring many advantages to both patients and social security systems.

ORIENTATIONS:

- Promote cross-border labour mobility as there is a strong potential given the differences in unemployment rates.
- Improve the recognition of professional qualifications and diplomas especially in health care and childcare professions.
- Improve the cross-border child daycare facilities for cross-border commuters.
- Support actions to strengthen and deepen cross-border cooperation between educational institutions and between relevant professional bodies. These should focus on tackling the specific barriers/ obstacles identified in relation to cross-border cooperation, mobility and integration (including matters such as recognition of Higher Education/ Vocational Education and Training qualifications, cross-border mobility and access to education, language training).
- Promote the teaching of French, German and Luxembourgish on all sides of the borders through school pairing and use of digital tools.
- Improve the cross-border access to emergency care and normal health care services, including regarding the payment/reimbursement of costs.
- Pool the health care centres, establish an integrated specialisation system and develop a common e-health system.

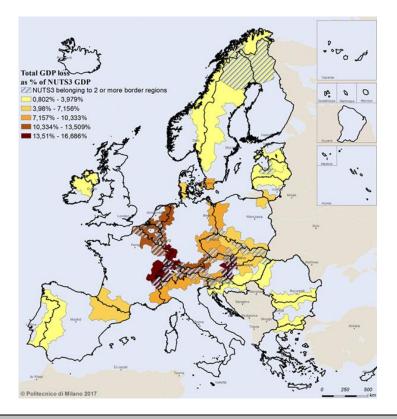
7. GOVERNANCE

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

- 66. 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).
- 67. Actions and orientations set out in this section may be supported by using the part of the programme's budget as proposed in the European Territorial Cooperation (Interreg) Regulation for improving governance issues.

• Working on border obstacles and potential

- 68. 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. 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 into the common potential to facilitate cooperation in this wider context.
- 69. The geographical area of the Greater Region is amongst those facing the highest number of border obstacles. Not because there is less concern with cross-border phenomena (on the contrary), but precisely because the higher the level of cross-border interactions, the higher is probability to identify new obstacles. The image below illustrates the potential gain in GDP from the removal of obstacles.



ORIENTATIONS:

One very important objective of the 2021-2027 Interreg Greater Region programme should be:

- To identify precisely key obstacles and untapped potential (e.g. cross-border labour market hindrances, health care, transport connections, use of languages, etc.; the Cross-Border Review should be used as a starting point)
- To bring the relevant actors together (e.g. authorities at national/ regional/ local levels, enterprises, users, etc.)
- To 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

- 70. Cross-border cooperation cannot be done in isolation. It has to be framed in the existing strategies (e.g. national, regional or sectoral), such as the one of the Summit of the Greater Region or the Benelux.
- 71. 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).

- 72. In December 2018, the Benelux has signed a declaration of intent with France to reinforce cooperation, especially in the neighbouring regions of Hauts-de-France and Grand-Est. It is to be noted that a similar agreement already exist with Nordrhein-Westphalen.
- 73. In addition, the Commission has indicated the investment priorities it considers important for France, Germany, The Netherlands and Luxemburg (Annex D of the country reports drafted in the frame of the European Semester). The priorities of the Greater Region programme need to be coherent with these.

ORIENTATIONS:

Embed the Interreg Greater Region programme in the strategy of the Summit of the Greater Region 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).

• Cross-border organisations

- 74. Many authorities and institutions in the Greater Region have strong experience in Interreg. This includes four European Groupings of Territorial Cooperation (EGTCs) such as:
 - a. EGTC INTERREG "Programme Grande Région" (FR, LU, DE and BE) It has been established in 2010 with the objective of acting as the Managing Authority for the cross-border cooperation programme INTERREG V A Greater Region.
 - b. EGTC Eurodistrikt Saarmoselle Eurodistrict Saarmoselle (SaarMoselle) (FR & DE) it has been established in 2010 to develop this cross-border area. It includes Saarbrücken (330,000 inhabitants) and a group of French cities: Forbach (22,000), Warndt (18,000), Saint Avold (16,000), Saarguemines (21,000), Freyming-Merlebach (13,000), Bitche (5,000). It develops joint strategies for economic growth and enhances common territorial marketing and collaboration in the field of economic development. It also develops joint strategies of social cohesion in the health sector as well as in cross-border language-learning, and is engaged in the limited provision of some cross-border public services.
 - c. GECT Secrétariat du Sommet de la Grande Région (EVTZ Gipfelsekretariat der Großregion; DE, BE, FR and LU) - It has been established in 2013 as an initiative of the Summit of the Greater Region. It aims to provide a working structure to optimise the functioning of institutional cooperation, and is an administrative organ for carrying out decisions taken by the executive leaders of the Greater Region via the Summit.
 - d. GECT Alzette Belval (FR & LU) It has been established in 2013 to facilitate and enhance cooperation between local actors in the public and private sectors of 12 border towns (4 from Luxembourg and 8 from France). It is intended to provide a working instrument for strengthening the cross-border partnership on the France-Luxembourg border. In its work plan it focuses on different thematic areas: mobility, health care, cohesion, spatial planning and sustainable development, culture, tourism and sport. It has the aim of creating common and complementary development, of

developing a real cross-border urban agglomeration, improving the quality of life of those living in the cross-border area and supporting the development and implementation of cross-border projects. It has also developed specific strategies for the cross-border region.

ORIENTATIONS:

- The 2021-2027 Interreg Greater Region 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).
- Establish working groups with all the parties concerned for each cross-border obstacle in order to define the bottlenecks (this could be done using the specific objective for cross-border governance).
- Ensure regular coordination with the Summit of the Greater Regionin order to facilitate the funding of those important actions agreed politically (provided they fit with the programme). The Interreg Greater Region programme should be seen as one of the tools to deliver the priorities of the Summit of the Greater Region.

• Links with other Cohesion policy programmes

- 75. 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.
- 76. 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 Interreg Greater Region programme should establish (or participate in) a strong coordination mechanism with the authorities managing mainstream programmes (i.e. the future programmes covering Wallonia, Luxemburg, Rheinland-Pfalz, Saarland and Grand Est). 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). It would cover: defining the types of projects funded under each instrument, the synergies and complementarities.

• Cross-border data

- 77. 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.).
- 78. The Greater Region geographical information system (www.sig-gr.eu) produces customised thematic maps that can steer development and spatial planning policies and guide users in their decision-making. The maps created are made available via the Greater Region's geoportal server, which posts most of the maps in the form of cross-border overlays on an interactive map.
- 79. The project GeoConnectGR aims to have geographical data that are harmonised and comparable (especially on water resources). This project has been funded under the B-solutions scheme (promoted by the European Commission's Directorate-General for Regional & Urban Policy and managed by the Association of European Border Regions (AEBR)).

ORIENTATIONS:

The 2021-2027 Interreg Greater Region 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 Interreg programme

• Partnership principle

80. 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 long-term strategic 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

81. 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:

Monitoring committees 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 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.

- 82. **The composition of the monitoring committee** must be representative of the cross-border area. It must also include partners relevant to Greater Region programme objectives (i.e. priority axis), e.g. institutions or organisations representing environment, SMEs, civil society or education.
- 83. **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 their 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 Greater Region programme. 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).
- 84. **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 on an equal footing with "institutional" partners.

• Role of the managing authority

85. The managing authority shall ensure effective implementation of the Greater Region 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:

Luxemburg, as Member State hosting the programme authorities should be represented in the monitoring committee separately from the managing authority (i.e. a

different person). 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 advisable if relevant.

• Role of the Joint Secretariat

86. 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

- 87. The ultimate beneficiary of cross-border cooperation should be the citizen. There are mainly two reasons for that: (a) the citizen should be open to cooperation with the neighbouring region (it should become natural, they should master the language of the neighbour, etc.); and (b) Interreg has a specific added-value in 'erasing' the borders and thereby showing the citizens that a genuine European integration can bring many concrete benefits in their daily lives.
- 88. Effective cross-border cooperation requires a good level of trust between partners. 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 advisable to put in place mechanisms to finance smaller projects or peopleto-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

89. 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.

90. This applied to all bodies involved in the implementation of the Greater Region programme, including managing authority, joint secretariat and regional contact points.

• Communication and publicity

91. Appropriate measures in line with the communication guidelines need to be taken by all involved authorities and beneficiaries like e.g. identification of a 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 now has a budget available for citizens engagement activities.

• Use of Interact tools

92. The Greater Region programme does not use eMS for the 2014-2020 but CTE- Synergies. This IT tool has been developed by France for the Interreg programmes. However, this tool is not fully suitable for the needs of the programme as it requires a customisation and heavy maintenance (e.g. answering questions by beneficiaries).

ORIENTATIONS:

Consider alternative options to CTE-Synergies that would better meet the needs of the Greater Region programme.

• Cooperation with the 'cooperation world'

93. There are many initiatives to support cooperation: the Interreg Volunteer Youth (IVY - "Interreg Volunteer Youth" - is an action to offer the possibility to young EU citizens aged 18-30 to serve as volunteers in cross-border, transnational or interregional programmes and related projects); the B-solutions (pilot project to collect concrete & replicable actions which aim at identifying & testing solutions to cross-border obstacles of a legal and administrative nature in EU internal land borders in 5 fields: employment; health; public transport of passengers; multi-lingualism; institutional cooperation); ESPON (which carries out studies on territorial development), etc..

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 2007-2013 http://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>
- Eurobarometer No 422 conducted in 2015 on cross-border cooperation
- Assessment of Interreg cross-programmes' governance systems and their appropriateness to address border obstacles (Pertti Hermannek, 2017)
- Quantification of the effects of legal and administrative border obstacles in land border regions (Commission, 2016) quantification of the effects of legal and administrative 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>
- 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
- Strategy of the 2014-2020 programme (ex-ante evaluation, SWOT, priorities, evaluations)
- Observation Territoriale en Allemagne et regions limitrophes (Bundesministerium für Verkehr und digitale infrastruktur MORO Praxis -, 2017)
- Observation Territoriale Grande Région Rapport final de la région modèle "Grande Région" sur le projet d'aménagement du territoire MORO, 2017
- Transfrontalier franco-allemand, 6 propositions pour innover au cœur de l'Europe (Sylvain Wasserman, 2017)
- "Dynamiques de l'emploi transfrontalier en Europe et en France" (Mission Opérationnelle Territoriale, 2017)
- Smart Specialisation Strategies in Lorraine and Wallonie http://s3platform.jrc.ec.europa.eu/
- 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>, 2018

- ESPON's Targeted Analysis on Cross-Border Public Services <u>CPS Cross-border Public Services | ESPON</u>
- 10 pilot projects selected under b-solutions <u>b-solutions</u>: the 10 successful cases <u>announced | FUTURIUM | European Commission</u>