

# Border Orientation Paper

## Upper Rhine



## 1. INTRODUCTION

This document sets out key characteristics of the cross-border region between France, Germany and Switzerland. It outlines options and orientations for the programming of the next Interreg Upper Rhine programme. 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 trigger a constructive dialogue both within the cross-border region and with the European Commission for the 2021-2027 Interreg cross-border cooperation Upper Rhine 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 the 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 another 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

- The population of Upper Rhine is 6 million overall, with 2.8 million in the German border regions, 1.8 million in the French border regions and 1.4 million in the Swiss border regions (based on the geography of the 2014-2020 Upper Rhine programme). In terms of migration, the German side saw a growth of between 3.7% and 4.6% between 2010-2016 (whilst the EU average is only 1.4%) and the French side saw a small decrease. The population density in the border region is very high in comparison with the EU average and also in comparison with the national averages in each of the countries. There are 6 metropolitan areas within Upper Rhine: Karlsruhe, Freiburg and Offenburg in Germany, Strasbourg and Mulhouse in France and Basel in Switzerland.
- The specificity of Upper Rhine is to include some Swiss cantons, which means that it is a cooperation programme with a non-EU country.
- In terms of whether language differences are considered as a problem for cross-border cooperation, 52% of the population see it as ‘a problem’, whereas 47% see it as ‘not a problem at all’ which is relatively low compared to other EU border regions.
- The Upper Rhine is one of the oldest structured cooperation areas in the EU with several cross-border political organisations such as the Trinational Metropolitan Region Upper Rhine which is steering cooperation. In addition, there is an Intergovernmental Franco-German-Swiss Commission (inter-governmental at national level) and a bilateral Treaty between France and Germany (Aachen Treaty).
- In the past periods, the Upper Rhine Interreg programme was amongst the best functioning ones: there is a real willingness to cooperate and this has led to very good projects. In 2014-2020, the total budget was € 210 million (out of which EU contribution: € 110 million) focusing on the following: knowledge/ innovation, environment/ mobility, employment, administrative cooperation.
- The approach of the 2014-20 Upper Rhine programme corresponds well with the Commission’s proposed approach for 2021-2027: « C'est pourquoi il a été privilégié d'orienter l'intervention sur des lacunes et des potentiels transfrontaliers concrets afin d'éviter des doublons avec des instruments financiers nationaux, régionaux et européens et de rendre l'interconnexion entre le programme INTERREG V 2014-2020 et ces autres instruments financiers aussi avantageuse que possible ».
- This analysis – and the subsequent orientations – focus on key elements which will have a visible improvement in the daily lives of 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, the programme 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.

#### *Collectivité européenne d’Alsace*

- On 29 October 2018, France decided to create the ‘Collectivité européenne d’Alsace’ which is a merger of the two départements (Haut-Rhin and Bas-Rhin) within the Grand-Est region. It will have additional competencies, especially regarding cross-border cooperation, bilingualism, attractiveness of Alsace, transport and culture. In addition, the French constitution is also being revised to allocate even more competencies to local authorities.

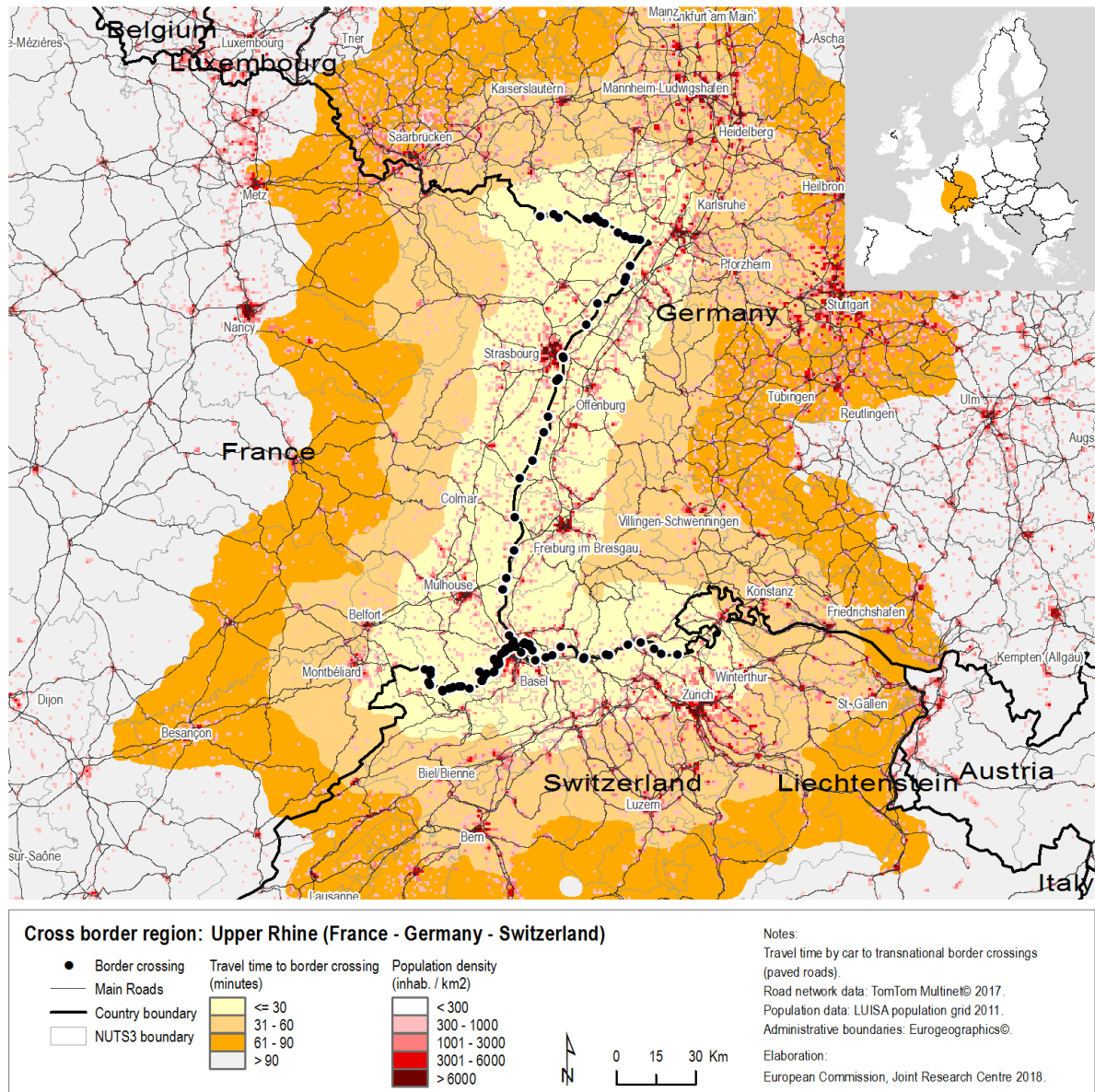
### 3. TERRITORIAL DIMENSION

- *Typology of regions*

1. In terms of the nature of physical obstacles, the Rhine is the main river barrier and flows along the vast majority of the France-Germany and Switzerland-German borders. There are also mountain barriers in both the Switzerland-German border region and the Switzerland-France border region as well as between Upper Rhine and other regions in France (Vosges) and Germany (Black Forest).
2. Following the closure of the Fessenheim nuclear power plant, a big area will be available and will have to be regenerated. The current thinking is to do this in a cross-border manner (involving partners of both FR and DE sides). The authorities are currently establishing a 'Société d'Economie Mixte' to attract private investors and more projects (possibly also housing, enterprises, leisure, etc.).
3. In Upper Rhine, most citizens live close to cities greater than 50,000 population so that access to public services (mostly located in cities) is rather easy. In addition, there are a number of cross-border agglomerations.

- *Functional areas*

4. 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).
5. 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).
6. 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 Upper Rhine, the situation is as follows:



7. 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.
8. In addition, the map shows the high potential for cross-border cooperation with many big cities located along the border (i.e. Karlsruhe, Strasbourg, Freiburg-im-Breisgau, Mulhouse, Basel).
9. 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. The Monitoring Committee shall have the competence to decide on projects outside the programme area, but with clear benefits for the cross border region.

- ***Links with macro-regional strategies***

10. Upper Rhine is part of two macro-regional strategies: the EU Strategy for the Alpine Region (but not the French side) and – to a lesser extent - the EU Strategy for the Danube Region (only the German side).
11. Macro-regional strategies are supported at the highest political levels of the EU, the Member States and the regions concerned and have become an integral part of EU regional policy. Macro-regional strategies require trust and confidence between partners (Member States, regions, stakeholders, etc.) in order to share a common vision which will bring concrete actions and projects. It is the same for cross-border cooperation. Hence, the two levels of cooperation are very much interlinked by nature.
12. The alignment of cross-border programmes to macro-regional strategies is a ‘win-win’ approach. Clearly, macro-regional strategies will benefit from the experience, the partners and the funds of cross-border programmes. But, cross-border programmes will also benefit from such an alignment: (a) bigger impact (on a wider territory), (b) good project pipeline (project ideas with a political support), (c) better visibility (by political leaders, decision-makers and citizens) and of course (d) an improved situation in the macro-region they are in (the actions of the strategy will also improve the cross-border area). In particular, the contribution to macro-regional strategies does not mean a reduction of the budget available for the programme as it is clear that every project should also benefit the cross-border functional area.
13. Some of the actions of the EU Strategy for the Alpine Region are in the following policy fields with a lot of potential for coordination:
  - competitiveness of the alpine region (so that jobs are maintained/ created and enterprises can prosper both in the mountains, the valleys and the plains around the Alps);
  - mobility of citizens and goods (so that they can move efficiently without pollution and that territories are accessible) ;
  - preservation of the alpine landscapes and biodiversity (so that the Alps continue to be beautiful, which is an asset for its inhabitants and tourists);
  - adaptation to climate change (so that the impact - which is much quicker than on other parts of the EU - is limited);
  - promotion and use renewable energies (to have local, cheap and clean energy sources).

- ***Tourism / cultural heritage***

14. Upper Rhine has some touristic assets: natural areas such as mountains and vineyards; historic cities of all sizes and a rich cultural heritage. Their cross-border added-value can be financed provided it is strategically framed and takes into account the views of citizens and stakeholders.

- **“Post-Fessenheim”**

15. This builds on the political momentum created by the political decision to close the Fessenheim nuclear power plant in 2020 (the oldest in France). The decommissioning will take between 5-10 years. This closure may affect around 5.000 jobs at least (employees from the plant - which are highly-educated with good salaries - as well as indirect jobs) and mean about € 7 million taxes losses.
16. The territory concerned is along the Rhine between three cities: Colmar (FR - 69,000 inhabitants), Mulhouse (FR - 111,000 inhabitants) and Freiburg-am-Breisgau (DE - 228,000 inhabitants). It is a territory much wider than the one of the nuclear power plant. It is the biggest territory which is still free along the Rhine between Basel and Rotterdam.
17. There is a "Projet de territoire" which has been signed in February 2019 between France (State), Grand Est Region, Baden-Württemberg, Département du Haut-Rhin, the French and German municipalities concerned, Mulhouse, the Chambers of Commerce of Alsace and Süd Oberrhein, EDF (FR electricity company) and the Caisse des dépôts et consignations - Banque des territoires. It is therefore a project that involves both French and German partners given its cross-border nature.
18. The “Projet de territoire” has 4 axis and 10 projects (most of them have a cross-border dimension):
  - Create jobs through economic reconversion
    - Offices - 4000 m2
    - Housing - 5 ha in a forest
    - Shops - 1000 m2
    - Leisure areas - 5ha
    - Tourism - especially on the 'Île du Rhin' (island)
  - Improve accessibility and mobility
    - Reconstruct the rail link between Colmar and Freiburg - rail + bridge
    - Link the FR and DE motorways (A5-A35) - road + bridge
    - Improve the port of Colmar-Neuf Brisach
  - Make this territory a model for energy-transition
    - Energy-efficiency of existing public buildings
  - Make this territory a model for innovation and research
    - Enterprises cluster (EcoRhena) - 100ha
    - Research on clean energies (hydrogene, methane, solar)
19. There is an Executive Committee with all the partners which meets every month and a cross-border Société d'Economie Mixte (SEM) to coordinate the daily work (with French and German partners).
20. The project will start in the coming months (an environmental impact assessment has first to be done).



21. The timing is good as many initiative converge positively: the Aachen Treaty between France and Germany, the upcoming reform of the French Constitution with the new principle of 'differentiation' (enabling French authorities to apply the rules differently in the each territory; NB: before the principle of equality under the law made it impossible to have different rules in different places), the upcoming creation of the “Collectivité européenne d'Alsace” (new département with a cross-border compétence) and the proposal by the Commission to have a European Cross-Border Mechanism (ECBM).

- ***Strasbourg-Karlsruhe metropolitan space***

22. Strasbourg and Karlsruhe have the ambition to create a cross-border metropolitan area between the two cities and their surrounding territories. This new métropolitan area would have about 3 million inhabitants (as this would include the two cities and Eurodistricts such as Pamina). This cooperation was initiated after the signature of the Aachen Treaty between France and Germany which foresees cross-border cooperation and after the decision to create a Collectivité européenne d'Alsace (merger of the two départements with a cross-border focus).

23. This metropolitan space could work on the following topics: cross-border workers, health, innovation, urban development (e.g. urban sprawl, housing, inclusion of migrants and refugees, exchange of experiences) and mobility.

- ***Integrated Territorial Investment (ITI) tool in the Pamina Eurodistrict***

24. In order to further integrate the Upper Rhine (or its 4 Eurodistricts), the creation of an Integrated Territorial Investment (ITI) with ERDF, ESF and Interreg funds may be useful to have more ambitious investments. This would facilitate the funding of cross-border projects (cross-border approach, integrated approach, economies of scale, etc.) as it would enable the Eurodistricts to select the projects themselves.

25. In particular, the Pamina Eurodistrict (EGTC) has some potential for an ITI on economic development (innovation, enterprises, etc.). This could be strongly linked to the 'Technologie Region Karlsruhe' (which covers the same territory as Pamina and has several important enterprises such as Siemens, Mercedes, Michelin, Bosch). This focus on the economy would fit well with the priorities of the four concerned programmes as it is likely that they all will have a strong focus on the policy objective aiming at innovation/ research/ enterprises. Such an ITI would concern the funds from four programmes (ERDF Baden-Württemberg, ERDF Rheinland-Pfalz, ERDF Grand-Est and Interreg Oberrhein).

## **ORIENTATIONS:**

- *Design the actions of the 2021-2027 Upper Rhine 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..*
- *Set out the actions expected to contribute - where relevant - to the macro-regional strategies, provided they also contribute to the specific objectives of the cross-border region. This requires a good and proactive coordination with the macro-regional strategies (i.e. following the developments of the macro-regional strategies, being in contact with the National Contact Points, etc.). Different projects could be funded, for example: group of projects (e.g. several programmes fund several projects which together form a coherent 'group of projects') or a single project (e.g. one programme funds one project, the impact of which is on the entire macro-region) creating synergies. In addition, cross-border programmes may consider one of these mechanisms: specific selection criteria (e.g. bonus points if the project contributes to a macro-regional strategy); earmarking of a budget; specific calls; or labelling (e.g. ex-post identification of projects that could be replicated)..*
- *Consider the creation of an Integrated Territorial Investment (ITI) covering the geography of Upper Rhine or each/ some of its 4 Eurodistricts. This could start with the Eurodistrict Pamina (the four concerned programmes - ERDF Baden-Württemberg, ERDF Rheinland-Pfalz, ERDF Grand-Est and Interreg Oberrhein - should then mention the 'ITI Pamina' (with a description of planned activities) and foresee the delegation of funds and competencies from the Managing Authorities to the ITI (for the selection of projects)).*
- *Consider establishing a strategy for cross-border tourism with a view to implementing it through the programme.*
- *Consider how the Upper Rhine programme could contribute to the cross-border projects of the “Projet de territoire” established in the frame of post-Fessenheim. This could become a flagship project of the programme given its importance, visibility and political support.*
- *Consider how the Upper Rhine programme could support the establishment of the Strasburg-Karlsruhe metropolitan space (identification of the needs/ potential, objectives, strategy (long-term, integrated, involving stakeholders, etc.)). This could become a flagship project of the programme given its importance, visibility and political support.*

## 4. GROWTH, COMPETITIVENESS AND CONNECTIVITY

### • *Innovation*

26. The Upper Rhine region currently shows high levels of performance in terms of innovation. In this context, and given the data showing the presence of framework conditions and capacities for innovation in Upper Rhine, it would seem that further development of cross-border cooperation and integration in respect of innovation certainly does offer potential, even if it is the case that the already high levels of performance mean that there may be diminishing returns in this area (i.e. improvement and development is still possible, but may not be transformative as innovation is already strong).
27. The 2014-2020 Upper Rhine programme focused on knowledge transfer between actors in the Upper Rhine as it was considered that on this point, there was still potential.
28. The Smart Specialisation Strategy of Alsace focuses on the green economy i.e. sustainable buildings, health, renewable energies, green mobility, water management and agriculture. That of Baden-Württemberg is on mobility, digital, environment and renewable energy. Hence, the areas with high potential for cooperation are: renewable energies as well as research and innovation on mobility.
29. The 2014-2020 Upper Rhine programme, like many others has a priority axis on research/innovation. This is 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 Upper Rhine and that require cooperation should be funded (e.g. research on a subject which is specific to the Upper Rhine, 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 Upper Rhine are not a priority, especially as they could be funded through Horizon Europe or mainstream ERDF Investment for Jobs and Growth programmes and may be more efficient with partners located outside Upper Rhine.
30. Under the pilot project 'Industrial transition' the Grand Est has selected the project "Cluster Grand Est dédié à la transition énergétique".

### • *Enterprises*

31. There is a differentiated economic development in the Upper Rhine regions, which is assessed as being principally due to different framework conditions between the French side, on the one hand, and the German and Swiss sides, on the other hand. This manifests itself in different ways. For example, certain aspects of the French system, such as higher taxes and more restrictive labour legislation, make it difficult for French local authorities to attract businesses, because some foreign companies prefer to invest in the German or Swiss sides of the cross-border area.
32. There are also several issues relating to specific cross-border challenges between France/Germany and Switzerland. Indeed, complex and diverse legal provisions restrict access to the Swiss market for enterprises and self-employed service providers that are located in the neighbouring border areas of Germany and France. These issues have a high negative

impact on cross border economic integration, adding administrative burdens, business uncertainty/ risk and costs to cross-border economic activity. These barriers result from general legal restrictions applying to service providers, including issues such as the specific conditions for application of Swiss minimum wages to posted workers, issues with the recognition of professional qualifications and the impact of employment legislation on cross-border agents and temporary workers providing services in Switzerland. The negative impact of such barriers affects all EU enterprises seeking to do business in Switzerland, but it has a particularly strong effect on businesses in EU border areas for which Switzerland is part of their “natural” market. Although framework agreements at national level were developed to address some of the issues, it is assessed that the conditions for such cross-border business projects remain very fragile and the lack of legal certainty is problematic for developers and authorities.

33. 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.
34. The Upper Rhine has many different enterprises (big, medium and small covering several economic sectors) and this asset would benefit from networking and clustering.

- **Mobility**

35. In terms of connectivity, the following can be noted:

- Rail connectivity is relatively good. In terms of the percentage of the population having access to cross-border rail services, this is in the mid-range of EU border regions.
- In terms of levels of population having access to cross-border rail services, this was assessed as being higher than the average for EU border regions, with some variations between regions (e.g access from the German side of the border with France and from Switzerland to both France and Germany is better relatively to access from France to Germany or to Switzerland).
- The average frequency of cross-border rail connections is good, particularly in terms of trains from Switzerland to either France or Germany.
- The average speed of cross-border rail connections is rated in the mid-range of EU border regions.
- The cross-border transport study carried out by the Commission identified the following missing links as having most potential benefit: the Freiburg (DE) – Colmar (FR) route and the Rastatt (DE) – Roeschewoog (FR) - Haguenau (FR) route.
  - The Freiburg (DE) – Colmar (FR) route is classified as ‘absent’, having been dismantled. It is assessed as having high importance for the border region, whilst being of medium importance at the national level. It is also stated that the connection could improve the connectivity between the two following TEN-T core network corridors: Rhine-Alpine and North-Sea-Mediterranean.
  - The Rastatt (DE) – Roeschewoog (FR) - Haguenau (FR) route is described as having elements missing. It is assessed as being of high importance to the border

region, whilst being of low importance at the national level. It is also stated that the connection could improve the connectivity between the two following TEN-T core network corridors: Rhine-Danube and Rhine-Alpine.

These routes require the building of some bridges over the Rhine and some heavy infrastructure work on the tracks. This is why a lot of preparatory work is needed (which could be funded by Interreg). Therefore, they may only become operational in the 2030s.

- There are five other important rail connections which could be operational in 2024 and which could become flagship projects as they would have a large impact and would visibly improve the daily lives of citizens (and could therefore be explicitly mentioned in the Upper Rhine programme). These are :
  - Strasburg (FR) - Kehl (DE) - Offenburg (DE)
  - Strasburg (FR) - Wissembourg (FR) - Neustadt-an-der-Weinstrasse (DE)
  - Strasburg (FR) - Lauterburg (FR) - Wörth (DE) - Karlsruhe (DE)
  - Strasburg (FR) - Sarreguemines (FR) - Saarbrücken (DE)
  - Mulhouse (FR) - Müllheim (DE)

For these connections, no infrastructure is needed as it already exists. The only investment is to adapt the trains (20) to the different systems in FR and DE (e.g. security requirements). The overall cost is significant and would represent a substantial share of the Upper Rhine programme. As the timetable may be tight, a good planning is important.

- Road connectivity and accessibility is reasonably positive in comparison to EU averages, although there are certain areas within the border regions that are assessed as having relatively poor access to regional centres by car.
- For the French and German border regions there is data relating to the density of motorways at the regional level (measuring the length of motorways relative to the area and population size), and for all these border regions the density is well above the EU average.

36. Nevertheless, differences between regional/ local systems and also a lack of cross-border coordination make the development of cross-border local public transport by rail more difficult. The obstacles are emerging from a lack of horizontal co-ordination or cross-border cooperation in the planning or implementation of transport activities as well as different regulations on matters of transport operations, security, etc.. These issues in relation to cross-border local public transport systems hamper the integrated development of the area, and in particular the development of an integrated cross-border labour market.

37. There are no harmonised regional ticket pricing or ticketing systems, even where there is a clear and direct cross-border transport service. The issues arise principally due to the asymmetric legal context as well as different technical standards applying to public transport operations. This complicates the use of public transport by citizens and might also create additional costs for passengers, e.g. due to the impossibility of using day tickets or weekly/ monthly subscriptions.

38. The tram line between Strasbourg and Kehl has been identified as a good practice in ESPON's Targeted Analysis on Cross-Border Public Services. This is an extension of the existing tram of Strasbourg to reach the German city of Kehl on the other side of the border. Before, the connection could only be made by road, by train or by bus and it took more time than now. It involved the construction of a bridge over the Rhine (300 m long) for the tramway, walkers and cyclists and the infrastructure for the tramway (1 km long). It has been finalised in December 2018. The cost was € 4.0 million out of which € 2.0 million from ERDF (Interreg)
39. As Upper Rhine is one of the most developed regions in the EU, it is likely that the regional programmes in France and Germany will not have funds directly available for transport.
40. 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*

41. 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.
42. At national level, the main trends are:
- Germany is above the EU average in terms of digitisation but relatively low in terms of penetration. France is broadly at the EU average on both indicators.
  - On the availability of digital-based services, France and Germany are both rated slightly above the EU average on automated services and/or online services, whereas Switzerland is rated below the EU average. In terms of availability of services online for non-country nationals, France and Switzerland are both broadly at the EU average, whilst Germany has a relatively high score on this indicator (and is above the EU average).
  - In terms of the overall ‘Digital Economy and Society Index’, France is rated slightly above the EU average whilst Germany is rated slightly below. Switzerland is not included in this index.
  - France and Germany both score slightly above the EU average on the provision of Digital Public Services for Businesses. There is no equivalent data for Switzerland.
  - In terms of e-Health services, Germany and France both score low, in relation to the EU average. There is no equivalent data for Switzerland.

43. E-government is one of the priorities of the Commission and should therefore be pursued. In a cross-border region such as Upper Rhine, e-government - and particularly the development of inter-operable systems - 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 of Alsace and Baden-Württemberg, there is potential for cooperation on renewable energies as well as research and innovation on mobility.*
- *Encourage Alsace and Baden-Württemberg 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 enterprises to benefit from the different systems of the three countries composing Upper Rhine (e.g. employment conditions, fiscal rules, administrative procedures, etc.). Indeed, whilst it is difficult for Upper Rhine to change these framework conditions (as they are set at a wider-level), such differences can also represent a potential for businesses.*
- *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, both in Grand Est and Baden-Württemberg), the national / regional programmes, Connecting Europe Facility and private investors to have cross-border transport projects funded under other funding instruments.*

- *Facilitate cooperation between stakeholders (rail authorities, users, investors, public authorities, etc.) in order to progress on the following cross-border rail links: Freiburg (DE) – Colmar (FR) route and the Rastatt (DE) – Roeschewoog (FR) - Haguenau (FR) route. This includes the funding of preparatory work.*
- *Consider the financing of the trains for the following rail links: Strasburg (FR) - Kehl (DE) - Offenburg (DE); Strasburg (FR) - Wissembourg (FR) - Neustadt-an-der-Weinstrasse (DE); Strasburg (FR) - Lauterburg (FR) - Wörth (DE) - Karlsruhe (DE); Strasburg (FR) - Sarreguemines (FR) - Saarbrücken (DE) - this link could also partially fall under the Greater Region programme -; Mulhouse (FR) - Müllheim (DE). These could become flagship projects as they would have a large impact and would visibly improve the daily lives of citizens (and could therefore be explicitly mentioned in the programme). The overall cost is significant and would represent a substantial share of the programme. As the timetable may be tight, a good planning is important.*
- *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 Upper Rhine, 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*

44. In terms of renewable energy, wind, solar and hydro potentials are relatively low. However, there is more potential for biomass (already present from straw and wood) and even more for geo-thermal particularly in the French border regions.
45. The existence of many larger agglomerations and functional areas in the border region overall provides opportunities for cross-border cooperation on resource efficiency.
46. 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 in the Upper Rhine compared to EU averages. This makes it possible to have investments in renewable energy which are profitable.
47. However, in the Upper Rhine, there is an issue regarding the funding of renewable energy projects due to state aid rules.

- *Circular economy*

48. There is no sufficient data on circular economy at NUTS 3 level. However, the three countries composing Upper Rhine are rather advanced in this field. In particular, the circular economy and eco-innovation concerns are diffusing in the economic and policy landscapes. However, individual consumption does not fully support eco-innovation yet, as circular-economy-friendly behaviour still needs to become a common trend.
49. 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*

50. Upper Rhine is assessed as having a medium to low environmental sensitivity to climate change. However, there are potentially significant flood risks in the border regions on the German-French and the German-Swiss borders.
51. In addition, the Upper Rhine is highly densely populated and creates opportunities to have joint facilities.

- *Risk management*

52. There are still many obstacles affecting joint/ shared emergency services. Indeed, there are different regulations and administrative practices between France and Germany as well as competences spread across different levels of government in each country. These have made a number of joint initiatives in relation to fire-fighting services in the Strasbourg-Kehl area more difficult and have, for example, impeded the operation of a Franco-German fireboat on the Rhine. This failing has been assessed as leading to losses in efficiency and flexibility in the case of emergencies that have a cross-border relevance.

- *Natural areas and biodiversity*

53. There are many Natura 2000 sites within the French and German border regions, including several transboundary sites, and many nationally designated areas of protection and/or of natural importance (18% of the territory of Upper Rhine). There is also a 'Ramsar' site (internationally important wetland site) on the Franco-German border along the Rhine (190 km length; 12% of the territory of Upper Rhine), and a number of recognised grassland ecosystems (UNESCO biosphere reserve). Finally, almost one third of the Upper Rhine territory is protected (forests, national parks, etc.).
54. Several areas within the border regions in France and Germany are assessed as having high potential for Green Infrastructure networks (especially the existence of many larger agglomerations and functional areas in the border region), with a relatively high capacity to deliver ecosystem services, although the river border does impact on connectivity between habitats.
55. Upper Rhine generally has high to very-high 'fragmentation pressure' because of urban and transport infrastructure expansion. This pressure is highest in the region of Lower-Rhine ('Bas-Rhin') in France and in the German border regions around Karlsruhe and, to a lesser extent, around Freiburg.
56. The percentage of classified water bodies that are affected by point and/ or diffuse pressures in rivers and lakes, as well as the percentage of classified water bodies having less than good ecological status or potential (i.e not having 'good chemical status') is relatively high in both France and Germany.
57. The 2014-2020 Upper Rhine programme underlined that in this field, actions can only have the appropriate impact if they are undertaken across the border (especially regarding biodiversity, soil protection, water resources, protection of natural sites, air quality, green infrastructures). In addition, as these actions require a critical mass, it is useful to implement them on a wider scale.
58. 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) and geo-thermal energy sources 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.*
- *Develop cross-border facilities for the joint treatment of waste.*
- *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.*

## 6. EMPLOYMENT, EDUCATION, HEALTH AND INCLUSION

- *Employment*

59. The Upper Rhine has 100 000 cross-border workers.

60. The study from the Mission Opérationnelle Transfrontalière ‘Dynamiques de l’emploi transfrontalier en Europe et en France’ identifies the borders in Upper Rhine as having significant differences on each side (GDP per inhabitant and unemployment rate) which offer a potential for cooperation.

61. With regard to labour market factors, the following should be noted:

- There are differences in employment rates between the regions, with the German regions of Freiburg and Karlsruhe and the Swiss border regions having higher levels of employment than neighbouring regions, and Alsace having the lowest level. The pace of change in employment rates in the 2006-16 period also varies within Upper Rhine: Alsace in France has suffered declines in this period, whereas the border regions in Germany and Switzerland have seen increases in employment in this period.
- Unemployment also is at different levels within Upper Rhine, with the French region of Alsace having the highest levels with a rate of just over 9% (which is well above the EU average rate of 7.63%) whilst the three German border regions all have unemployment rates at less than half the EU average.
- Regarding long-term unemployment, there is substantial variation between regions in Upper Rhine. Alsace (FR) has a substantially higher rate than the Swiss and the German border regions. The Swiss border regions have slightly higher percentages of long-term unemployed (1.5%) than the 3 German border regions (0.9% - 1.3%).
- On wage indicators, wages and overall labour costs are broadly similar for Germany and France, and in both countries the levels are above the EU average. In Switzerland, they are significantly higher.

62. In terms of employment, the following economic sectors are the most material for the border region overall (percentages given are a combined average for the French and German border regions): Manufacturing (29% of total employment), Retail (14% of total employment), Administrative and support services (10% of total employment), Accommodation and food service activities (9% of total employment) and Construction (8% of total employment).

63. In terms of cross-border labour markets the following should be noted:

- According to a survey conducted in 2015 on cross-border cooperation (Eurobarometer), only 14% of those surveyed from Upper Rhine indicated that they have travelled to their cross-border neighbouring country for work or business purposes. This would rank it 12th from a list of 54 EU border regions in terms of percentages of population involved.
- The highest percentages of those travelling cross-border for work or business purposes were on the French-German border (16%), the next highest being on the German-

Swiss border (14%), with the lowest percentage being on the French-Swiss border (10.5%).

- The characteristics of the cross-border commuters between France and Germany (which includes the border with Saarland and Rheinland-Pfalz) is that there has been a decrease since 2000, that they are rather old and that they have low qualifications.

64. The Upper Rhine has a strong potential for cross-border labour mobility and this is one of the priorities of the Trinational Metropolitan Region Upper Rhine. Such mobility has many benefits (reduce unemployment, increase activity in enterprises, keep people in the region, etc.). It also has many dimensions; recognition of skills/ qualifications/ diplomas, social security, pensions, taxations, transport, schools/ kindergarten, etc.. To facilitate this multi-faceted policy, several borders have established ‘offices’ that help workers and enterprises in this regard. In Upper Rhine there are two main such offices:

- The ‘EURES-T Upper Rhine’ which is funded under EaSI (programme for Employment and Social Innovation) which provides advice for people willing to work or 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.
- The Infobest network which is a network of 4 offices providing advice on cross-border issues along the borders of France, Germany and Switzerland (Upper-Rhine region). They have been created between 1991 and 1996. Each office has between 2 and 4 employees which are fully bilingual. They provide advice to citizens, enterprises, administrations on cross-border issues such as jobs, social security, tax regimes, pensions, mobility, etc.. In particular, they help their users in dealing with the administration of the other countries.

InfoBest has been generated by an Interreg project (funding in 2000-06: € 70,000 ERDF (total costs: € 177,300; 2007-13: InfoBest point in office Lauterbourg: ERDF: € 570,000; total costs: € 1.1 million).

The network is now financially sustainable with funding from the State, the Regions, the départements and the cities.

65. However, there are obstacles to cross-border labour market integration and economic integration:

- There are issues of high taxation of cross-border workers. Although there is specific recognition and treatment of cross-border commuters in the double taxation agreement between Germany and France, there continue to be issues arising from differentiated tax levels.
- Labour Market integration is also being impacted negatively by the financial burden for social security contributions through Germany's so-called "mini-jobs" provisions (contract for part-time jobs). Indeed, these are not suited for French cross-border workers who want to maintain their French social insurance rights. This obstacle has high negative impact on cross-border labour market integration and economic integration. It negatively affects French workers who are looking for a part-time job across the border, because the cost for a voluntary registration to a German insurance is higher than the level of income they are legally allowed to earn with a “mini-job”.

French students are also affected if they want to work in Germany, because they cannot keep their French public insurance rights.

- National legislation in Switzerland may restrict the access of workers from France and Germany to the Swiss labour market. This obstacle has a high negative impact on cross-border labour market integration and also on the quality of life of citizens in border areas.

- **Education**

66. The population of Upper Rhine has a high level of education compared to other EU regions.

67. In terms of more specific indicators, the following should be noted:

- On the basis of the ESPON territorial review, the border region in Switzerland has the highest rating in terms of the percentage of the population with higher education qualifications (30-40%). Alsace also has a high percentage of its population with higher education qualifications in science and technology (20-30%). This level being very high in comparison with EU regions in general and higher than its neighbouring border regions in Germany (10-20%).
- The level of the working population with general attainment at tertiary level education is above the EU average in Upper Rhine. There are some differences, with the Swiss border region having a slightly higher percentage (33-35%) than the border regions of Germany and France (28-31%).
- Also, in terms of the percentages of the population engaged in science and technology, the Swiss border region has the highest levels, with the German and French border regions all at broadly the same level.

68. Despite the substantial cross-border cooperation, there are still obstacles with regard to collaboration and integration between higher education institutions:

- Obstacles to the mobility and remuneration of professors working cross-border. For example, a professor appointed at a university in one country cannot get extra payment for teaching/ researching activities done in the neighbouring country.
- Barriers to the mobility of researchers. Some national research grants and equipment are not transferable from Germany to France and vice-versa.

69. In Upper Rhine there is also an EGTC made up of 5 universities, in 3 countries (including Switzerland, as non-EU country) called EUCOR (Confédération européenne des universités du Rhin Supérieur). It was founded in December 2015 by the Universities of Basel, Freiburg, Haute-Alsace, Strasbourg and the Karlsruhe Institute of Technology, with a focus on promotion of cross-border cooperation between higher education institutions. It provides concrete services to 115,000 students and 15,000 researchers. Its objectives include: joint planning for strategy, structure and development; defining a shared research profile and shared procurement of funding; joint appointment of high-ranking academic personnel; further development and marketing of study programs; improving the cross-border transition of EUCOR university graduates to the regional employment market; and facilitating the mobility of students and researchers within the European Campus. This

project has been partly funded through the Upper Rhine programme. It has been identified as a good practice in ESPON's Targeted Analysis on Cross-Border Public Services.

70. According to a survey conducted in 2015 on cross-border cooperation (Eurobarometer), 52% of the people in Upper Rhine consider that language differences are an obstacle to cross-border cooperation. Therefore, multilingualism is one of the priorities of the Trinational metropolitan region Upper Rhine and of the report made by the member of the French Parliament Mr Waserman on Franco-German cross-border cooperation.
71. In the Upper Rhine, there is a cross-border kindergarten which is at the border between France and Germany (on the French side). It has opened in 2014. It is designed for 60 children and the team of 20 persons is bilingual. Its cost was € 3.4 million out of which € 1.7 million from ERDF (Interreg)

- **Health**

72. Hindrances to health care cooperation are often caused by differences between national health care systems. Indeed, it was assessed that, even where there are framework agreements in place to facilitate cooperation between health care providers, the obstacles for cooperation are persistent and emerge from national health care planning approaches, from an asymmetric cooperation constellation, from dysfunctions in the mandatory prior authorisation mechanism (dealing with reimbursement of costs) and from procedural problems of health insurances. At the planning level also, public health care does not sufficiently incorporate a cross-border dimension. A further issue is the difference in governance between the countries, creating asymmetric systems. For example in terms of cooperation agreements between providers, in France only the Regional Health Agencies (state administration) can conclude such agreements, whereas in Germany all providers are allowed to do so (incl. hospitals, insurances, professional chambers). It was also assessed that information provided by administrations on issues of cross-border health services is often inadequate.
73. There are also difficulties on the transferability of social insurance contribution payments across the borders. Problems have been identified for French persons as regards the cross-border transferability of contributions paid to a German "dependency insurance" or as regards their access to assistance from this insurance.
74. Regarding a cross-border child-daycare facility there are differences in the recognition of qualifications of staff, restrictions on national subsidies for such services outside the Member State providing the subsidy, and requirements under national law to base any employment fully under the relevant national conditions of one country (and not allowing for employment to reflect a cross-border 'multi-jurisdiction').
75. In terms of access to health services, although the large majority of the population in Upper Rhine has good access to hospitals and to doctors, with large numbers of doctors within a short journey time, a small number of isolated areas still have poor access to hospitals and/ or to doctors in border regions in France and Germany.
76. 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.

77. In the Pamina Eurodistrict, there is a project starting to elaborate a cooperation protocol aimed at simplifying administrative procedures for frontier workers in the field of health insurance. 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)).
78. Finally, it is worth mentioning the Trinational Competence Centre on Health (TRISAN) which aims at promoting cross-border cooperation on health in Upper Rhine. It covers cross-border healthcare (transfer of patients and doctors), emergency services, research, training and exchange of experiences. It has been established in July 2016 and is based in Kehl (DE).

#### **ORIENTATIONS:**

- *Promote cross-border labour mobility as there is a strong potential given the differences in unemployment rates.*
- *Improve the cross-border child daycare facilities for cross-border commuters.*
- *Support actions to strengthen and deepen cross-border cooperation between educational institutions (both Higher Educational institutions and other relevant institutions such as vocational training providers, certification bodies, etc.) 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 and German on all sides of the borders through for instance school pairing and use of digital tools.*
- *Examine the replicability of the project carried out in the Pamina Eurodistrict on elaborating a cooperation protocol aimed at simplifying administrative procedures for frontier workers in the field of health insurance (B-solutions scheme).*
- *Improve communication on health services available on each side of the borders and on the procedures to have costs reimbursed (including the mandatory prior authorisation).*
- *Provide health services for the isolated areas of the Upper Rhine (e.g. through telemedicine).*
- *Pool the health care centres or establish an integrated specialisation system.*



## 7. GOVERNANCE

### 1.1. Cross-Border Governance in a wider context (and use of the new "Interreg Governance" specific objective)

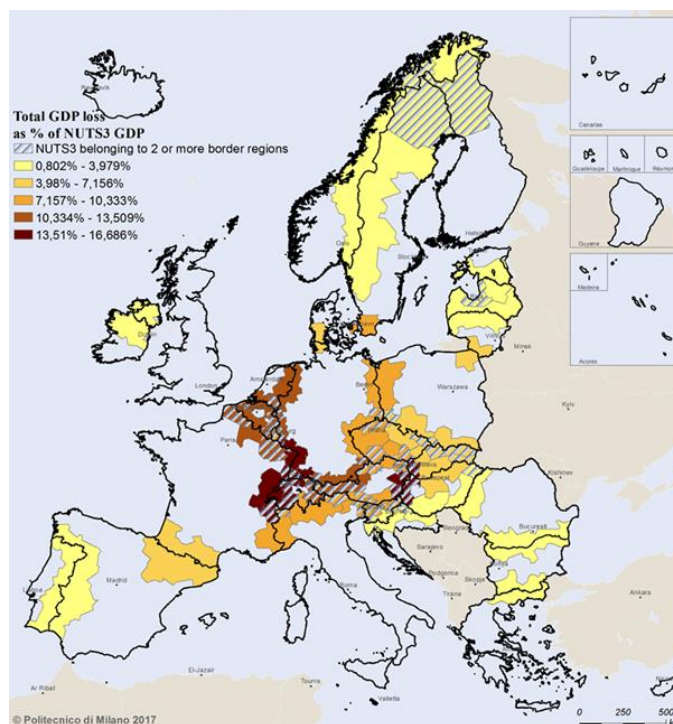
79. Cross-border cooperation is not limited to Interreg programmes. It also builds on policies (e.g. cross-border mobility), on legal instruments (e.g. bi-lateral agreements, treaties, European Groupings of Territorial Cooperation) and on funding (including but not limited to Interreg).

80. Actions and orientations set out in this section may be supported by using 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*

81. 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.

82. The geographical area of the Upper Rhine 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 the 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 Upper Rhine 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*

83. Cross-border cooperation cannot be done in isolation. It has to be framed in the existing strategies (e.g. national, regional or sectoral).

84. 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).

85. In addition, the Commission has indicated the investment priorities it considers important for France and Germany (Annex D of the country reports drafted in the frame of the European Semester). The priorities of the Upper Rhine programme need to be coherent with these.

**ORIENTATIONS:**

*Embed the Upper Rhine programme in the existing EU, 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 political organisations***

86. Regions in Upper Rhine have a long history in cooperating together. Indeed, right after World War II, cooperation led to the construction of the binational airport Bâle-Mulhouse (see below) and to the joint administration of the port of Kehl. Then, two cross-border regions were created : Regio Basiliensis (1963) and Upper Rhine region (1965). Now, the overarching body is the Trinational Metropolitan Region Upper Rhine which has an Executive Body (Upper Rhine Conference with a permanent Secretariat) and an equivalent of a Parliament (Upper Rhine Rat). It has a strategy until 2020 (currently under revision for 2030) which focuses on the following: science, economy, civil society and governance.

#### **EUROAIRPORT Basel-Mulhouse-Freiburg**

*EuroAirport Basel-Mulhouse-Freiburg is an international airport near Basel, Mulhouse and Freiburg. The airport is located in France, on the administrative ground of the municipality of Saint-Louis near the Swiss and German borders. It is one of the few airports in the world that connects two countries. The airport is located on French territory, however by agreements between France and Switzerland in 1946, the land has become partly Swiss. In 1949, these agreements were ratified in the so-called 'Französisch-Schweizerischer Staatsvertrag' [hereafter: F-S Treaty]. Due to this treaty, both countries have access to the airport without any customs or other restrictions.*

*The F-S Treaty stipulates that France was responsible for providing the land, while the Swiss canton of Basel-Stadt would cover the construction costs. In general, French law applies to the entire territory of the airport, unless expressly provided otherwise. The French government is responsible for traffic control, the management of runways and general radio services. The airport building itself is divided into a Swiss and a French part. Article 2 of the F-S Treaty states that within the Swiss section, the Swiss authorities have the competence to apply Swiss legislation and regulations. Within this area, the Swiss authorities also have the right to apply Swiss legislation on customs, medical services and police. However, the French police are allowed to carry out random checks, including in the Swiss part of the airport.*

*Because Switzerland joined the Schengen Convention in March 2009, a Schengen and a non-Schengen zone was created. The border control is managed by both French and Swiss border officers. This means that passengers will either receive a Swiss or French stamp, depending on which officer they have approached.*

*The EuroAirport Basel-Mulhouse-Freiburg is a limited liability company established by the French and Swiss governments. Due to the fact that the airport is established by a bilateral treaty between France and Switzerland, also means that agreements on other areas and arising problems must be solved by official agreements between both governments. For instance, a great number of specialised firms have established their activities on the Swiss side of the airport, where they have benefited from favourable tax conditions. In 2010, a union representing former employees of a Swiss company filed a lawsuit in France. The Court of Cassation ruled that the French labour law should apply in this zone. This created concern in companies and politicians that the French labour law should be applicable and that many companies would leave the airport. In March 2012, a framework agreement was signed between the French and Swiss authorities meaning that EuroAirport was able to maintain its existing practices, in order to retain the companies in the area. However, this did not solve the problem entirely. Therefore, in December 2017, a new tax system was adopted for the airport with respect to taxes paid by Swiss companies, which operate at the airport. These agreements clarify which taxes, companies working at the airport must pay to the Swiss and French government.*

*Source: "Statute for Limburg?"; Institute for Transnational and Euregional cross-border cooperation and Mobility - ITEM -, 2018*

87. The Treaty between France and Germany ('Traité de l'Elysée' of 1963) was revised on 22 January 2019, giving a new impetus to the bilateral cooperation. The new Treaty will be called 'Traité d'Aix-la-Chapelle' and aims to reinforce the links between France and Germany, especially regarding economic policy, foreign policy, security, education, culture, research, climate, environment, civil society and cross-border cooperation.

88. To prepare this work, the French government has asked a member of the French Parliament, Mr Waserman to make proposals on Franco-German cross-border cooperation. In terms of political cooperation, the main proposal is to organise the cooperation on spatial planning and on key policy issues. This is what the Trinational Metropolitan Region Upper Rhine does and this work is therefore likely to be reinforced.
89. One important specificity of Upper Rhine is the cooperation with a non-EU country. This means that legal and administrative rules can be even more different than between two Member States. In particular, Swiss regional policy is not fully aligned to the EU's, both in terms of priorities, timing and amounts available. Indeed, Switzerland has its own 'New Regional Policy' for 2016-2023. This 'New Regional Policy' focuses on four priorities: encourage entrepreneurship and innovation, improve the competitiveness of regions, create jobs and reduce regional disparities. It mentions specifically the border regions as a type of territory to be supported. Both the Federal level and the cantons contribute. The total may amount to € 2.2 billion over 4 years. However, some important issues are not covered (environment, education, health, etc.) and can only be funded if the cantons decide to finance related projects without federal co-financing. This makes it more difficult for the Interreg programmes to involve Swiss partners on such policy areas.
90. Information provision to citizens, businesses and other institutions in the cross-border region about how to successfully navigate the difficult paths to cross-border activity has been identified as a general issue in Upper Rhine across many themes (i.e. it is difficult to find the information).
91. Several regions have cross-border entities which can be 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). One example of this are the Euroregions under national law, which cover many of the borders in the EU. Many of these entities have a legitimacy (established by public authorities), an experience (many exist for years) and expertise (through their past work and staff) that should be put to good use.
92. The authorities and institutions in Upper Rhine have a strong experience in Interreg, this being reflected in part by the number of European Groupings of Territorial Cooperation (EGTCs) operating within Upper Rhine. This includes in particular the following:
- Eurodistrict Pamina (FR-DE) - The EGTC was created in January 2017, building on 30 years of collaboration within the areas covered by the Eurodistrict Pamina. Its objective is to support cross-border cooperation between both public and private players, and thus advise citizens, companies and associations, regional and other authorities on issues arising from cross-border cooperation.
  - Eurodistrict Strasbourg – Ortenau (FR-DE) - The Eurodistrict Strasbourg-Ortenau was established to build strategies, to plan and implement projects in a cross-border territory. It is a grouping of cities working on cross-border projects and activities and has been active in a wide range of topics in relation to European Territorial Cooperation: economy, employment, environment, climate change, energy, transport, education, bilingualism, social policy, public health, civil society, culture, sport and citizen participation. Its strategy is decided by the EGTC's Council, which is composed of 25 French and 25 German elected representatives and its stated objectives are to foster the joint management of public services, i.e. through the

working group on prevention and security, with public services and authorities from France and Germany.

- EUCOR (The European Campus; (Confédération européenne des universités du Rhin Supérieur) (FR-DE-CH) - This is the first EGTC to consist solely of universities.

93. The programme and the Monitoring Committee are very much embedded in the political cooperation of the region. In particular, Monitoring Committee members are also partners in ‘everyday business’ and not only for the Interreg programme.

94. One of the proposals made by Mr Wasserman to improve Franco-German cross-border cooperation is to better harmonise the French and German legal and administrative systems.

#### **ORIENTATIONS:**

- *The 2021-2027 Upper Rhine 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).*
- *Improve information on services available on the other side of the border. The policy fields of particular interest are: higher education, emergency services, health services, child-care provision, management of natural resources and public consultation.*
- *Support a project which would provide information on cross-border issues (such as public consultations) through regional/ local websites.*
- *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 Trinational Metropolitan Region Upper Rhine (and most particularly the Upper Rhine Conference) in order to facilitate the funding of those important actions agreed politically (provided they fit with the programme). The Interreg programme should be seen as one of the tools to deliver the priorities of the Trinational Metropolitan Region Upper Rhine.*

- ***Links with other Cohesion policy programmes***

95. 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.

96. 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 Upper Rhine programme should establish (or participate in) a strong coordination mechanism with the authorities managing mainstream programmes (i.e. the future programmes covering Baden-Württemberg, Rheinland-Pfalz and Alsace). 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*

97. 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.).
98. In Upper Rhine, the Hambach Declaration on Franco-German cross-border cooperation (adopted in 2017) has recognised the issue: « Nous souhaitons donc créer un cadre propice aux échanges de données et mettre à disposition, librement et gratuitement, des sources de données harmonisées dans des formats adaptés au travail en région frontalière. Nous comptons notamment développer et approfondir la coopération dans le domaine des systèmes d'informations géographiques (visualisation cartographique des données statistiques et autres, en particulier les données spatiales). (...) Un aménagement du territoire cohérent nécessite aussi une bonne coopération entre les autorités de statistique. En fournissant en continu des données structurelles relatives aux domaines politique, économique et démographique en France et en Allemagne, elle assure également la transparence et la proximité avec les citoyens dans un espace frontalier en voie d'intégration ».

**ORIENTATIONS:**

*Implement the Hambach Declaration to identify the missing data (in which area), complete the missing data and promote the availability of data to policy-makers (so that they are used).*

## Section 2: Governance of the programme

- *Partnership principle*

99. 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*

100. 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 macro-regional strategies' contact points or 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.*

101. **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.

102. **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 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 Upper Rhine 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).



103. **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*

104. 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 region hosting the programme authorities (Grand Est) 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*

105. 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*

106. 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.

107. 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 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***

108. 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***

109. 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 now has a budget available for citizens engagement activities.

- ***Use of Interact tools***

110. The Upper Rhine programme does currently not use eMS for the 2014-2020 but CTE-Synergies. This IT tool, developed by France for the Interreg programmes, had already been used during the 2007-2013 period. This choice was made because a lot of time had been invested in designing the system customised for Upper Rhine and because there was the need to have an IT tool operational right at the start of the period.

111. The Upper Rhine programme does not use the Harmonised Implementation Tools (HIT) directly but has considered them when developing its own tools.

- ***Cooperation with the 'cooperation world'***

112. 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) - [Collecting solid evidence to assess the needs to be addressed by Interreg cross-border cooperation programmes - Regional Policy - European Commission](#)
- EC ex-post evaluation of ETC 2007-2013  
[http://ec.europa.eu/regional\\_policy/en/policy/evaluations/ec/2007-2013/#11](http://ec.europa.eu/regional_policy/en/policy/evaluations/ec/2007-2013/#11)
- European Territorial Cooperation - best practices and innovative measures, European Parliament, 2016 [REPORT on European Territorial Cooperation - best practices and innovative measures - A8-0202/2016](#)
- 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 Hermanek, 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) - [Easing legal and administrative obstacles in EU border regions - Regional Policy - European Commission](#)
- 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](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)
- Strategie 2020 für die Trinationale Metropolregion Upper Rhine, 2013
- Transfrontalier franco-allemand, 6 propositions pour innover au cœur de l'Europe (Sylvain Wasserman, 2017)
- La nouvelle politique régionale de la Confédération – Promouvoir les régions. Renforcer la Suisse – 2016-2023 ; Confédération Suisse, Secrétariat d'Etat à l'économie SECO, 2017
- “Dynamiques de l'emploi transfrontalier en Europe et en France” (Mission Opérationnelle Territoriale, 2017)
- “Rhin supérieur - Faits et chiffres” (Conférence Franco-Germano-Suisse du Rhin supérieur, 2018)

- Smart Specialisation Strategies in Alsace and Baden-Württemberg – <http://s3platform.jrc.ec.europa.eu/>
- DG SANTE's study on cross-border health care – [Building Cooperation in Cross-border Healthcare: new study published! | FUTURIUM | European Commission, 2018](#)
- ESPON's Targeted Analysis on Cross-Border Public Services – [CPS - Cross-border Public Services | ESPON](#)
- ESPON's European Territorial Review, 2017 – <https://www.espon.eu/european-territorial-review>
- EU Strategy for the Alpine Region
- 10 pilot projects selected under b-solutions - [b-solutions: the 10 successful cases announced | FUTURIUM | European Commission](#)