

Concept paper
for Romania-Bulgaria Cross-border Cooperation Programme 2021-2027

EU legislative package for 2021-2027 programming period (proposal published in May 2018)

- General regulation for European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund (CSF Funds)
- Specific regulation for European Regional Development Fund
- Dedicated Interreg (European Territorial Cooperation) Regulation
- The package is estimated to be approved in December 2020.

What is new in the proposals of the European Commission (final version may be different)?

- N+2 rule
- Lower pre-financing (1% from 2021 until 2026)
- Lower EU co-financing rates (70%)
- Lower allocation for Interreg programmes
- Technical assistance reimbursed as flat rate
- VAT eligible for all projects below 5 million euro, non-eligible for all projects above 5 million euro
- No first level control per member state, the task of verifications belongs to the Managing Authority (MA)
- Border positions drafted by the European Commission (estimated for March 2019)
- Specific indicators for Interreg
- Thematic concentration - at least 60% of the ERDF allocation shall be allocated on a maximum of three policy objectives and 15 % to the Interreg-specific objective of 'a better Interreg governance' (art. 15/ ETC Regulation),
- Small project funds
- No Certifying Authority
- No ex-ante evaluation

- No Annual Implementation Report (quarterly reporting to the European Commission instead)
- Single audit of operations at EU level
- No restriction for activities outside the eligible area

Programme content¹

Romania-Bulgaria Cross-border Programme 2021-2027 will contain the following information:

- the programme area (including a map thereof as a separate document);
- a summary of the main joint challenges, taking into account:
 - economic, social and territorial disparities;
 - joint investment needs and complementarity with other forms of support;
 - lessons learnt from past experience;
 - macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies;
- a justification for the selected policy objectives and Interreg-specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure;
- for each priority, except for technical assistance, specific objectives;
- for each specific objective:
 - the related types of actions, including a list of planned operations of strategic importance, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate;

¹ According to Article 17 ETC Regulation

- output indicators and result indicators with the corresponding milestones and targets;
 - the main target groups;
 - specific territories targeted, including the planned use of integrated territorial investments, community-led local development or other territorial tools;
 - the planned use of financial instruments;
 - an indicative breakdown of the programmed resources by type of intervention.
- for the technical assistance priority, the planned use in accordance with Articles [30], [31] and [32] of Regulation (EU) [new CPR] and relevant types of intervention;
 - a financing plan containing the following tables (without any division per participating Member State, unless specified otherwise therein):
 - a table specifying the total financial allocation for the ERDF and, where relevant, for each external financing instrument of the Union for the whole programming period and by year;
 - a table specifying the total financial allocation for each priority by the ERDF and, where relevant, by each external financing instrument of the Union by priority and the national co-financing and whether the national co-financing is made up of public and private co-financing;
 - the actions taken to involve the relevant programme partners referred to in Article [6] of Regulation (EU) [new CPR] in the preparation of the Interreg programme, and the role of those programme partners in the implementation, monitoring and evaluation of that programme;
 - the envisaged approach to communication and visibility for the Interreg programme through defining its objectives, target audiences,

communication channels, social media outreach, planned budget and relevant indicators for monitoring and evaluation.

Programme's geography

- Initial proposal to keep the current Programme geography, namely:
 - ✓ for Romania the following counties: Mehedinți, Dolj, Olt, Teleorman, Giurgiu, Călărași and Constanța.
 - ✓ for Bulgaria the following districts: Vidin, Vratsa, Montana, Veliko Tarnovo, Pleven, Ruse, Dobrich, Silistra.
- Final decision belongs to the Joint Working Group

Territorial specificities of the cross-border area:

- One of the longest border line of two countries from EU - 610 km;
- Danube represents the border line between Romania and Bulgaria on 470 km;
- Black Sea coastal area - 200 km (120 km in Romania and 80 km in Bulgaria);
- 7 pair cities along the Danube (Calafat-Vidin, Bechet-Oryahovo , Tr. Măgurele-Nicopole, Zimnicea-Svishtov, Giurgiu-Ruse, Oltenița-Tutrakan, Călărași-Silistra);
- Cross-border area is framed by 4 major European cities - Bucharest, Beograd, Sofia and Istanbul.

Territorial challenges of the cross-border area

- The counties and the districts from the cross-border area are part from the poorest 10 regions from EU; strong economic disparities in cross-border region;
- Danube - natural barrier in the way of cross-border cooperation, which make the area into a peripheral one (there are only 2 bridges cross the Danube on 470 km);

- Lack of transport infrastructure - there are only 220 km of Highway parallel with the border line (Bucharest-Constanta);
- Physical deterioration of ports infrastructure;
- Poor health of the population in the border area;
- Unexploited potential transport given the Danube water;
- Low rate of urbanization;
- Border region faces a strong population migration phenomenon and an important poverty and social exclusion risk.
- A high rate of natural risks (floods) in Romanian border region.

Strategic development orientation:

According to the provisions of the draft Regulations, the Programme may finance projects contributing to the following policy objectives and their specific objectives:

A smarter Europe by promoting innovative and smart economic transformation' ('PO 1') by:

- (i) enhancing research and innovation capacities and the uptake of advanced technologies;
- (ii) reaping the benefits of digitisation for citizens, companies and governments;
- (iii) enhancing growth and competitiveness of SMEs;
- (iv) developing skills for smart specialisation, industrial transition and entrepreneurship;

A greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management ('PO 2') by:

- (i) promoting energy efficiency measures;
- (ii) promoting renewable energy;
- (iii) developing smart energy systems, grids and storage at local level;
- (iv) promoting climate change adaptation, risk prevention and disaster resilience;
- (v) promoting sustainable water management;
- (vi) promoting the transition to a circular economy;
- (vii) enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution;

A more connected Europe by enhancing mobility and regional ICT connectivity' ('PO 3') by:

- (i) enhancing digital connectivity;
- (ii) developing a sustainable, climate resilient, intelligent, secure and intermodal TEN-T;

- (iii) developing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility;
- (iv) promoting sustainable multimodal urban mobility;

A more social Europe implementing the European Pillar of Social Rights' ('PO 4') by:

- (i) enhancing the effectiveness of labour markets and access to quality employment through developing social innovation and infrastructure;
- (ii) improving access to inclusive and quality services in education, training and life long learning through developing infrastructure;
- (iii) increasing the socioeconomic integration of marginalised communities, migrants and disadvantaged groups, through integrated measures including housing and social services;
- (iv) ensuring equal access to health care through developing infrastructure, including primary care;

Specific objectives for ETC under PO 4

- (a) enhancing the effectiveness of labour markets and improving access to quality employment across borders;
- (b) improving access to and the quality of education, training and lifelong learning across borders with a view to increasing the educational attainment and skills levels thereof as to be recognised across borders;
- (c) enhancing the equal and timely access to quality, sustainable and affordable healthcare services across borders;
- (d) improving accessibility, effectiveness and resilience of healthcare systems and long-term care services across borders;
- (e) promoting social inclusion and tackling poverty, including by enhancing equal opportunities and combating discrimination across borders.

A Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives' ('PO 5') by:

- (i) fostering the integrated social, economic and environmental development, cultural heritage and security in urban areas;
- (ii) fostering the integrated social, economic and environmental local development, cultural heritage and security, including for rural and coastal areas also through community-led local development.

A better Interreg governance

- i) enhance the institutional capacity of public authorities, in particular those mandated to manage a specific territory, and of stakeholders;
- (ii) enhance efficient public administration by promoting legal and administrative cooperation and cooperation between citizens and institutions, in particular, with a view to resolving legal and other obstacles in border regions;
- (iii) enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies;

Taking into account the added value of the Interreg programmes and their growing impact on the economic and social development of a given territory and in particular the border regions, both MA and NA consider that applying a more strategic approach for the future Romania-Bulgaria Interreg programme should be analyzed and reflected upon. In this respect, pre-defining a few strategic projects, covering respective territory and thematic objective could ensure the sound Programme implementation. An approach based on the potential and specific needs of the border regions (place based approach), oriented towards the objectives laid down in the new regulations could enhance the effectiveness of the cohesion policy and contribute to closer linkages with the territorial dimension of the national sectoral policies. The new approach for implementing investments at regional level in Bulgaria shall be taken into consideration, that envisages Bulgarian Regional Development Councils - as partnership structures with functions in strategic planning and ensuring the implementation of the regional impact model at NUTS 2 level, to endorse the participation of Bulgarian applicants in joint projects.

The member states shall seek for national procedures not to delay the programming or implementing process.

For the new Programme, an approach for on-line submission of applications and reports shall be promoted, as well as for the evaluation. The calls for proposal shall be targeted for specific needs identified in the eligible area. Equal opportunities and protecting the environment (including by reducing the volume of necessary documents) will be promoted. A project pipeline shall be produced before the OP approval, including potential strategic projects, potentially financeable, provided the future Monitoring Committee decides accordingly.

Indicative schedule

- Setting up the Joint Working Group (designations of members): June 2019
- First meeting of the Joint Working Group: June 2019 (Rules of procedure, eligible area);
- Stakeholders consultations: second semester of 2019;

- Second meeting of the Joint Working Group: first quarter of 2020 (programme bodies, territorial analysis presented);
- Third meeting of the Joint Working Group: second quarter of 2020 (financing opportunities, intervention logic, indicators, financial provisions);
- Fourth meeting of the Joint Working Group: third quarter of 2020 (Programme approval);
- National letters of support (last quarter of 2020);
- Submission of the Programme (January 2021 or immediately after the Regulations approval, whichever comes first).