



EUROCITIES statement on the European Territorial Cooperation regulation

General comments

- We support the increase of the budget allocated to the European Territorial Cooperation (ETC), which is a fundamental dimension of EU policies and we welcome the increased recognition given to the ETC through the proposed regulation.
- We support the fact that the ETC goal must be fully reflected in the partnership contracts, as explained in the explanatory memorandum of the regulation (2.2). It should ensure a good coordination between operational programmes and cooperation programmes. This would also help early and better targeting of ERDF funding for the most suitable projects in similar territories in the EU. Moreover, it would create synergies between the different sources of funding, and real added-value, especially in the case of macro-regional strategies (Art 7/2/c).
- Territorial cooperation programmes are often very transversal and bring together many different thematic objectives. The draft regulation does not acknowledge the complexity of territorial cooperation programmes. Indeed, specifying only four possible thematic objectives and a restricted number of investment priorities is not enough in this respect (Art.5 and Art.7.1).
- We draw attention to a contradiction between Recital 26 and Article 18 of the regulation. Further clarification is needed concerning flat rate for staff cost. Cooperation programmes are very demanding in staff costs and we believe that the proposed flat rate for staff costs of up to 15% of direct costs is too low. We propose a 25% flat rate and clear guidance on how to calculate it (Art.18).

Involving local stakeholders

- Programming strategies in the field of the ETC should take fully into account the role of city authorities; their experience is substantial and too often overlooked.
- Transnational programmes do not involve local actors often enough. ETC programmes should be required to include a strong territorial dimension in projects - if possible supported by pilot actions - involving local stakeholders and promoting a sustainable and integrated approach (e.g. building urban-rural linkages).
- The allocation of ERDF funding dedicated to cross-border, transnational and interregional programmes should be decentralised. A major step in the direction of effective implementation would be the direct allocation of cooperation funds to cities and other local authorities in charge of programme management.
- Where possible, eligibility rules for beneficiaries should be adopted at the beginning of the programming period and as far as possible be harmonised at EU level. Beneficiaries and management authorities must have this information as early as possible in order to plan their work. If not, it will only increase the administrative burden (Art. 17).

ETC and EGTC (European Grouping of Territorial Cooperation)

- The emphasis given to the EGTC as managing authority of a cooperation programme or part thereof (Art. 21) is a positive development and should facilitate the financing of cross-border projects through joint action plans (Art. 8). However, practical information concerning EGTC contracting and management responsibilities, for both ITIs (Integrated Territorial Investments) and cross-border programmes, must be clarified to ensure full effectiveness. For instance, the recognition of an EGTC's contracting capacity for EU funding should be formally recognised in the regulation, as well as the rules that will apply to an EGTC as managing authority.
- In general, the eligibility of EGTCs in all cooperation programmes (not only cross-border) should be confirmed.

Final comment

- We believe that the ETC should not be limited to internal borders of the EU. Funds such as the European Neighbourhood Instrument and the Instrument for Pre-Accession Assistance should be combined with the ERDF regulation to foster genuine cooperation projects with neighbouring non-EU member states under the ETC goal.