Post 2027 | Consultation Report

4b. Neighbourhood (NEXT)

15 January 2025

## Post 2027 thoughts and ideas of ENI CBC and Interreg NEXT programme bodies and authorities

This subject specific report is an annex to the External cooperation report (Interreg and its role in EU external cooperation), and is part of Interact's Post 2027 Consultation reports

The report was compiled by TESIM, and is incorporated into Interact's report unedited.

Post-27 thoughts and ideas

Aggregation of ideas expressed by ENI CBC and
Interreg NEXT programme bodies and authorities

January 2025, final version after the Harvesting event
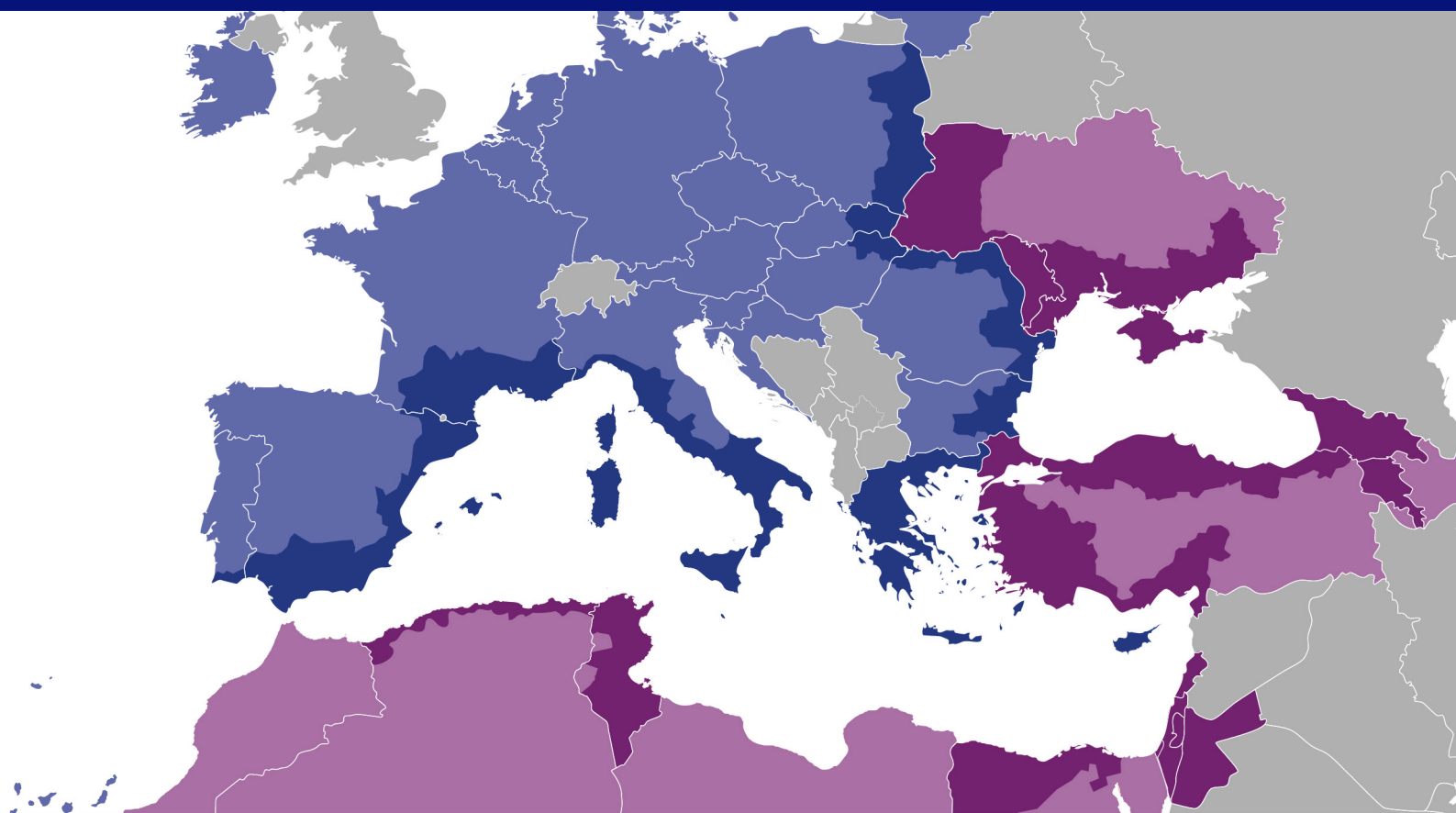
Background

This paper sums up the key messages collected from bodies and authorities of ENI CBC and Interreg NEXT programmes in post-27 "corners", discussions or specific consultations throughout March-July 2024. The structure of this document follows three building blocks: (1) cooperation architecture and geographies, (2) objective, purpose and orientation, as well as (3) future delivery.

It is important to note that not all key messages below refer directly to regulatory changes; some of them address the programme structures and their performance. Nevertheless, we considered it essential to include these insights in the paper, as they provide valuable context and contribute to a more comprehensive understanding of the programmes' future directions.

BLOCK 1 - Cooperation architecture and geographies

Key message 1: Built-in crisis provisions are needed to ensure programme resilience and adaptability, allowing swift and effective responses to unforeseen disruptions.

The experience of the 2014-2020 period, marked by unprecedented crises such as war and the COVID-19 pandemic, highlights the critical need for proactive crisis management provisions. Flexibility in programme implementation arrangements is essential also in post-2027 to ensure resilience and adaptability in the face of unforeseen challenges. Building crisis management measures into the legal framework from the onset will allow more effective response to possible future disruptions, safeguarding the continuity of the cooperation programmes.

These provisions may include response strategies that have already been foreseen in the Disruption Regulation (2022/2192) or the CARE Regulation (2022/562), as well as the practices that the programmes have implemented to safeguard their project implementation, for example. those related to changes in the project partnerships and the role of the lead partner.

Key message 2: Cooperation programmes should be differentiated from the mainstream programmes.

Cross-border/transnational cooperation programmes are fundamentally different from mainstream programmes due to their unique nature and the complexities involved in their implementation. These programmes often incur higher costs because they require coordination across borders, which includes navigating various national and regional regulations, languages, and cultures. Unlike mainstream programmes, which are typically implemented within a single country or region, cross-border cooperation demands meaningful collaboration at multiple levels: national, regional and across different projects and programmes.

Moreover, the scope and possibilities of cooperation programmes differ significantly from those of mainstream programmes. As a result, they often yield different types of outcomes, making it inappropriate to measure their success using the same criteria. The true value of cross-border cooperation lies in overcoming border obstacles and fostering long-term, transformative outcomes that extend beyond national borders, fostering lasting change and building stronger ties between participating regions and countries. It is crucial to recognize these distinctions in future programme planning and evaluation.

Key message 3: Overregulating programme implementation in the legal acts has to be avoided

To ensure that programmes can be tailored to meet the specific needs of the participating regions, it is essential that regulations focus only on the basic necessary implementing requirements. Overregulation in legal acts can stifle creativity and flexibility, making it difficult for programmes to develop their unique identities and effectively address local challenges. One example of this is the need to include certain types of projects, such as operations of strategic importance or projects of limited financial volume.

By limiting regulations to the essential elements, participating countries and programme administrators can have the freedom to define and shape programmes in ways that best serve the regions involved. This approach fosters innovation and allows for more effective, context-sensitive implementation, ultimately leading to better outcomes for the communities these programmes are designed to support.

Key message 4: Programmes in the North covering regions that border Russia and Belarus have put forward the possibility of having cooperation programmes for areas that do not share a joint border, but have similar problems/ challenges

Cooperation should extend beyond geographic proximity, allowing regions that face similar challenges to collaborate, even if they are not directly adjacent. The regions in the North bordering Russia and Belarus have highlighted the need for cooperation, which enables areas with shared problems to work together, regardless of physical borders.

The discontinuation of external cooperation programmes has removed a critical tool for regional development, leaving a gap that has yet to be adequately filled. One of the possibilities put forward is creating a strategy and a cooperation programme that covers exactly these regions and addresses their specific needs. Furthermore, these regions are now facing new challenges that are not shared with the regions involved in the "internal" Interreg programmes. Therefore, it is crucial to reintroduce and expand these cooperation possibilities to address the unique needs of these regions effectively.

Key message 5: Ensuring that regions on the external EU border remain attractive to live and work in is essential for national security

Regions on the external EU border play a crucial role in national security, yet their attractiveness as places to live and work has not been sufficiently prioritized. By making these regions appealing, we can encourage people to stay, contribute to local development, and

reinforce the stability of these areas. Additionally, expanding cooperation beyond physical borders is vital for tackling common challenges and maintaining the long-term vitality of these regions. Prioritizing their attractiveness is not just a matter of regional development; it is a strategic necessity for the security and sustainability of the broader EU.

Key message 6: Keeping a large coverage without downsizing of territories

The territorial coverage of programmes is generally appreciated, and any efforts to downsize it must be treated with caution. Several national authorities in the Mediterranean area mentioned that their programmes suffer from the unbalanced coverage in their countries, and they wish to allow all territories in their countries to be eligible, thus enabling a wider choice of partners. In other cases, extending the territorial coverage of CBC programmes to other adjacent territories would be preferable to enhance cross-border cooperation.

In sea basin and sea border cooperation, often only coastal territories are covered while it would be interesting to extend the coverage to nearby inland areas to have a greater and more homogeneous impact. Also, involving and investing more on local actors will enhance them to become effective relays for the programmes, ensuring good inter-institutional coordination between different government levels. Another active way for promoting a greater outreach would be to enhance the use of communication technologies and online platforms with the purpose of reaching remote regions.

Key message 7: Keeping the existing governance structure and empowering the functions of the involved national authorities

The current programme governance, particularly the architecture at the national level, is generally considered as effective and efficient. It has a clear governance framework, satisfactory coordination, smooth access to information, and open communication. Programmes are perceived as continuously improving with a clear learning curve by all the institutions involved, at local, national, programme and European level.

Therefore, investing in continuous training and skill development for governance team members enhances their effectiveness, flexibility, and adaptability, with a regular and sound evaluation system in place. Also, the investment at the national level should be adequate in respect to the increasing responsibilities with the aim of reinforcing the effectiveness and impact of the programme, for instance increasing outreach and communication and synergies at the national level or technical assistance to the national authorities.

BLOCK 2: Objective, purpose and orientation

Key message 8: While Policy objectives seem to cover most of the programme needs, the specific objectives are considered too restrictive

Policy objectives are broad and flexible enough to encompass the diverse topics that programmes aim to address, including cross-sectoral issues. Overall, these objectives are policy-related and derived from in-depth dialogue within our countries, involving relevant stakeholders, making them highly appropriate. However, the specific objectives imposed on the programmes are seen as an unnecessary and restrictive layer within the programme intervention logic. Programmes often wish to focus on matters that do not neatly fit within the confines of these specific objectives, limiting their ability to address certain challenges effectively. Moreover, sometimes projects address actions that are clearly multi-purpose or inextricably connected with more than one specific objective. An example is the distinction between energy "renewable", "efficient", or "smart" in specific objectives 2.1, 2.2 and 2.3 under the 2021-2027 regulation.

The current structure, which requires alignment with specific objectives, can hinder the flexibility and responsiveness of programmes. Instead, the selected indicators and intervention fields within the Policy objectives are sufficient to guide the direction and intent of the programmes. By allowing programmes to operate with more autonomy under the broad Policy objectives, they can better tailor their interventions to meet the unique needs of their regions, thereby improving outcomes and maximizing their impact.

Key message 9: In order to effectively address evolving global and regional challenges, cooperation programmes must expand their objectives to include emerging priorities such as resilience, security, civil protection and refugee support

As the global landscape evolves, so do the challenges and priorities that need to be addressed by cooperation programmes. The ongoing wars have dramatically altered the economic and social landscape, leading to significant shifts in regional priorities and needs.

The following critical trends highlight the need for this shift:

- **Regional resilience**: The conflicts have underscored the importance of building stronger, more adaptable communities that can withstand economic disruptions, social upheavals, and other shocks. Programmes must prioritize initiatives that enhance the capacity of regions to recover from crises and sustain long-term stability.

- **Security**: The instability caused by the war has highlighted vulnerabilities in national and regional security frameworks. Future programmes should focus on strengthening security measures, including border protection, infrastructure security and collaborative efforts to prevent and mitigate conflict-related risks.

- **Civil protection**: The war has exposed the need for robust civil protection mechanisms to safeguard populations from the direct and indirect impacts of conflict. Regions need to invest in developing and enhancing civil protection capabilities, ensuring that communities are well-prepared to respond to emergencies.

particip

- **Refugee support:** Significant displacement of populations has created an urgent need for comprehensive refugee support. Future programmes must include strategies to address the needs of refugees, including housing, social services, integration and employment opportunities. Supporting refugees not only addresses humanitarian concerns but also contributes to the social and economic stability of the host regions.

These emerging objectives are not just add-ons but essential components that reflect the contemporary realities of cooperation. Expanding the list of objectives to include these priorities will enable programmes to remain relevant, responsive and effective in addressing the complex and evolving challenges that regions face today.

Key message 10: CBC programmes, especially bilateral ones, must be highly focused with a limited number of priorities to ensure impactful outcomes.

For CBC programmes, particularly bilateral ones, it is crucial to concentrate efforts on a few well-defined priorities. By narrowing their focus, these programmes can more effectively demonstrate impact in specific areas, rather than diluting their efforts across too many objectives. To achieve this, it is essential to avoid overlaps and redundancies with other programmes, ensuring that each CBC initiative addresses unique gaps and meets specific cooperation needs that cannot be effectively tackled by other means.

Linking CBC priorities too closely with broader ERDF national priorities may not always be beneficial, as it can divert attention from the unique strengths and opportunities that CBC offers. Instead, programmes should focus on what CBC does best, such as fostering cross-border ties, cultural exchange and joint management of shared resources. It may also be necessary to reconsider whether certain areas, like economic development or management of the border crossing points that are covered by the mainstream funds, are still relevant or if they should be adjusted to better align with the specific strengths of CBC. Also, ensuring better coordination with the actions promoted by the European Delegations within Partner Countries remains a challenge to be addressed, with the aim of exploiting better potentialities in terms of synergies and complementarities between CBC and other approaches and fund streams.

In addition, the practice of "compulsory" inclusion of objectives into programme strategies needs to be eliminated. Programmes should critically evaluate their priorities, moving away from simply replicating past efforts and instead identifying areas where CBC truly adds value and is necessary for success.

By being selective and strategic in setting their priorities, CBC programmes can maximize their effectiveness and deliver meaningful, lasting impacts in the areas where cross-border cooperation is most needed.

Key message 11: Building capacity of those involved in the cooperation projects, and support in formulation of the project ideas

Cooperation (CBC and transnational) projects demand a specialized knowledge base and skillset, which many potential participants may lack. To ensure the success of these initiatives, it is crucial to build the capacity of those involved through targeted training and support. This

includes offering consultations to potential applicants, helping them to identify and define the needs that require cross-border collaboration accurately.

Additionally, achieving a balance between bottom-up and top-down approaches in the formulation of projects is key to maximizing their effectiveness and creating synergies. Bottom-up approaches allow local stakeholders to contribute their on-the-ground insights, ensuring that projects are relevant and address actual needs. Meanwhile, top-down guidance helps align these initiatives with broader strategic goals and resources. By fostering this balance and equipping participants with the necessary skills and knowledge, CBC projects can be more innovative, effective and impactful in addressing the challenges that cross borders.

BLOCK 3: Future delivery

Key message 12: Reconsidering indicators

While common indicators have become clearer and better defined, they still fall short in fully capturing the unique needs and narratives of cooperation programmes. These indicators, mostly from the list of common indicators for ERDF and CF, do not adequately convey the story or impact of cross-border cooperation. To truly reflect the essence of these programmes, there is a need for more tailored indicators that align more closely with the specific goals and collaborative nature of these initiatives.

Moreover, the current approach to target setting in programmes tends to be conservative, leading to frequent overachievement of the set targets. This mismatch can distort the perceived success of a programme and fail to accurately represent its real impact. Introducing a minimum threshold for target achievement could provide a more flexible and realistic framework, ensuring that programmes are evaluated on their ability to meet essential goals while allowing for variability in outcomes. This adjustment would not only improve the relevance of indicators but also enhance the overall effectiveness and accountability of cooperation programmes.

Key message 13: Address delays in implementation due to financing agreements

While in general, the financing agreements are seen as clear documents that support programme implementation in Partner Countries, delays in starting programme implementation due to the time required to sign and ratify the financing agreements have been an issue in several past implementation periods.

This puts the external cooperation programmes in less favourable conditions in the beginning of the programme implementation. To overcome these delays, the negotiations on financing agreements between the European Commission and the Partner Countries have to start as soon as all necessary elements for the agreement are in place, rather than waiting for all legal and programme documents to be finalised and approved. This would help expedite the process in the future.

Key message 14: Enable programmes to adapt their strategies, including themes, indicators, and financial allocations, in response to crises.

In an increasingly unpredictable global environment, the ability to swiftly adapt to crises is crucial for the success and resilience of cooperation programmes. Allowing programmes to change the course of their strategy in response to emerging challenges ensures that they remain relevant, effective, and capable of addressing urgent needs as they arise.

Crises—whether economic, social, environmental, or political—can alter the context in which programmes operate. In such situations, the original strategic plans, including predefined themes, indicators and financial allocations, may no longer align with the new reality. The flexibility might involve shifting focus to new thematic areas that have become

more pressing due to the crisis, revising indicators to better capture the new priorities, or reallocating funds to areas where they can have the most significant impact.

Key message 15: Maintain the specificities of external cooperation programmes to ensure effective collaboration with non-EU countries.

External cooperation programmes are distinct in their nature and objectives, particularly when engaging with beneficiaries from non-EU countries. It is crucial to preserve these specific features to continue fostering successful cross-border partnerships and ensuring the smooth implementation of projects.

One key aspect that must be maintained is the provision of higher co-financing rates. Many non-EU countries may face financial constraints that make it difficult for them to meet the co-financing requirements typically expected in EU programmes. By offering higher co-financing rates, these programmes lower the financial barriers to participation, enabling a broader range of beneficiaries to engage in cooperation initiatives.

Additionally, advance payments are an essential feature supporting external cooperation programme beneficiaries. Given the financial uncertainties and limited liquidity that may be prevalent in some of these regions, advance payments provide crucial upfront funding that allows projects to commence without delay. This financial support is particularly important for smaller organizations or those operating in less economically stable environments, ensuring they have the necessary resources to start and sustain their activities.

Key message 16: Continue advancing simplification efforts to streamline programme management and implementation.

To enhance the efficiency and effectiveness of programme management, it is essential to continue pursuing simplification across all aspects of implementation, starting from the application process (e.g., the number of documents requested with the application form), through reporting, control, project changes, and all the way up to project closure. Specific examples of areas that require simplification are mentioned below.

A key strategy is the wider use of simplified cost options, which can significantly reduce administrative burdens and make financial management more straightforward for both beneficiaries and programme bodies.

Maximizing the use of joint IT tools, standardized templates and unified procedures is another critical step. This approach, combined with automation where feasible, will minimize errors and reduce the need for repetitive checks, saving time and resources.

Adopting more risk-based approaches in various areas of programme and project management is also necessary. By focusing efforts where risks are higher, programmes can allocate resources more effectively and avoid unnecessary complications in lower-risk areas.

The approach to managing project changes should be reconsidered to allow for quick and simple adjustments. Flexibility in making project changes will enable programmes to adapt to evolving needs without being bogged down by complex procedures.

Importantly, simplification efforts should not only focus on easing the workload for beneficiaries but also on making the processes smoother for programme bodies. Streamlining

their tasks will enhance overall programme efficiency, allowing all stakeholders to focus more on delivering impactful results rather than navigating cumbersome administrative processes.

Key message 17: Adopt a performance-based approach to project implementation, continuing and expanding the use of the lump sum project approach.

A performance-based approach to project implementation shifts the focus from traditional input-driven methods to a model where success is measured by the achievement of specific outcomes and results. This approach aligns funding and support with the actual performance of projects, ensuring that resources are used efficiently and effectively to achieve meaningful impacts.

One practical method for implementing this performance-based approach is through the lump sum project approach. This model simplifies financial management, reduces administrative burdens, and incentivizes project teams to be more innovative and efficient.

Continuing and expanding the use of the lump sum project approach within a performance-based framework is a strategic move that can enhance programme efficiency, effectiveness and impact. It aligns with broader trends in project management towards results-oriented practices and supports the goal of delivering real, measurable benefits.

Key message 18: Enhance communication efficiency by emphasizing programme results, reaching broader audiences and integrating capitalisation efforts from the outset.

To maximize the reach and impact of programme communication, joining efforts to reach wider audiences is essential. This means collaboration across programmes and projects to create unified communication strategies that amplify key messages. By pooling resources and expertise, programmes can achieve a more significant impact than they would individually, ensuring that the successes and lessons learned are shared widely and effectively. This aspect goes beyond strictly considered communication aspects and takes into account the great potential of a more effective knowledge management by the different programmes. Technical assistance should consider not only communication needs, but also resources specifically designed for knowledge management purposes.

Capitalisation—the process of harnessing and building on the knowledge, results and experiences from projects—should begin from the very start of each programme. This proactive approach allows for the continuous integration of lessons learned and best practices, enhancing the overall effectiveness of the programme. Moreover, capitalisation efforts should not be isolated within individual programmes. Instead, they should be part of a broader, cross-programme strategy that facilitates the exchange of knowledge and experiences across projects targeting the same goals. This interconnected approach can lead to more innovative solutions and greater overall impact, as successful strategies from one programme can inform and improve others.

particip

Key message 19: Technical assistance (TA) is insufficient for small programmes and needs a more equitable allocation method.

The current percentage-based allocation of TA funding creates disparities between programmes, particularly disadvantaging those with smaller budgets. Small programmes often struggle with inadequate financing to cover essential administrative tasks, despite having the same fundamental requirements as larger programmes. The administrative burden does not scale down proportionally with programme size; there is a core set of tasks that all programmes must perform, regardless of their budget.

To address this imbalance, a revised approach to TA allocation is necessary. This could involve establishing a fixed base amount of TA funding for all programmes to cover essential administrative tasks, ensuring that every programme has the resources needed to operate effectively. Beyond this fixed amount, additional TA could be allocated on a percentage basis relative to the size of the programme. This dual approach would provide a more equitable distribution of resources, allowing smaller programmes to meet their administrative needs without being constrained by their budget limitations.

Another aspect considered a risk is the provision of TA in 2021-2027 as a flat rate percentage calculated upon the effective disbursement of the programmes at project level. This rule makes it difficult for the Managing Authority to plan the availability of the TA funds with sufficient accuracy.

particip