

Proposal for an ESPON 2030 Programme Thematic Action Plan (TAP) on 'Living, working and travelling across borders'

INPUT PAPER FOR PUBLIC CONSULTATION

1. The understanding

Cross-border areas represent 40 % of the EU territory, host 37.5% of the its population and produce over 30% of the EU's GDP¹. Cross-border regions are places of innovation, extensive cooperation and constant interactions at local level, while acting as gateways for the national networks; these places reflect, almost to the same extent, both the national character and regional or local specificity.

The TAP "Living, working and travelling across borders" aims to develop the knowledge and evidence base about the territorial patterns of upward socio-economic convergence in cross-border regions. The TAP will support the efforts of all stakeholders in enhancing cross-border cooperation as well as identifying the instruments for alleviating the specific obstacles that cross-border regions face. For this purpose, this TAP aims to build/enhance the evidence collected on cross-border interaction and cooperation, bringing a more comprehensive and integrated overview, to inform decision-making².

Through observations for the entire ESPON Programme area, this TAP intends to collect best practice, instil innovative ideas, and encourage new pathways for cross-border territories to cope with emerging challenges (like the health, migration or environmental crises). It will be looking for integrated territorial approaches promoting cohesive cross-border regions, and the development of functional living areas on land and maritime borders of the Union with EFTA (Iceland, Liechtenstein, Norway and Switzerland) and IPA countries (Turkey, Albania, Montenegro, Serbia, the Republic of North Macedonia, Bosnia-Herzegovina), including the outermost regions³. Additionally, the TAP will address the integrated territorial development of the four EU macro-regions: the Baltic Sea Region, the Danube region, the Adriatic/Ionian Region and the Alpine Region.⁴

Among others, this TAP:

- includes studies aimed at deepening the knowledge on different obstacles that border areas face (ranging from hard to soft): geographic / physical obstacles, socioeconomic, administrative,

¹ https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/cross-border/#1

² As highlighted in the COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT - Boosting growth and cohesion in EU border regions: '*collecting data and evidence on border obstacles is the first necessary step towards resolving them but only limited resources are invested in collecting and analysing information on border difficulties and complexities*'

https://ec.europa.eu/regional_policy/sources/docoffic/2014/boosting_growth/com_boosting_borders.pdf

³ https://www.aebr.eu/wp-content/uploads/2021/07/210701-CoR-Resolution_Future-of-CBC-EN.pdf

⁴ Macro regions defined *based on common features or challenges that can be tackled in a cross-regional dimension*
https://ec.europa.eu/regional_policy/policy/cooperation/macro-regional-strategies_en

institutional and governance; cultural and language, accessing and provision of public services, managing and accessing common natural and environmental resources, etc.;

- addresses the territorial needs for evidence production specific to cross-border regions, and analysing the spatial processes or territorial patterns that emerge, from a lower level (LAU I or LAU II levels), and in a more detailed and more dynamic format;
- informs European, national, regional or local stakeholders; promotes co-action with EU enlargement countries to see the aligned policy approaches;
- promotes networking and involvement of local communities in actions in relation to enhancing cross-border cooperation and future integration;
- strengthens the capacities and skills of policy makers, on all levels of governance and across policy sectors, reinforcing policy action towards socio-economic convergence, joint services and cooperation ties towards stronger cross-border functional areas;
- supports the capacity development of different territorial actors in planning, managing, implementing, monitoring and evaluating to ensure that cross-border territories' adaptive capacities can be fully utilised;
- contributes to understanding possible territorial consequences, opportunities and challenges of territorially diverse European cross-border regions following various pathways in implementing the twin digital and environmental objectives, by applying the measures that support a just and fair transition.

2. The policy setting

This TAP underpins four out of five Cohesion Policy objectives for 2021-2027: it fosters the objective of a more Social and Inclusive Europe – that promote social inclusion and equal access to all public services; it is also in line with the objective of a Europe closer to citizens – to provide a rationale for the sustainable and integrated development of all types of territories and local initiatives; it adheres to the objective of a Smarter Europe – to sustain policy actions towards innovative and smart economic transformation; it links to the objective of a more Connected Europe – to help maintain people's mobility and connectedness to smooth functioning of strategic transport and digital connectivity.

This TAP correlates well with the objectives of the Territorial Agenda 2030: it addresses a Just Europe objective by contributing to a better-balanced territorial development, redefining the governance of functional regions, contributing to the integration beyond borders and enhancing local resilience potentials; responding to a Green Europe objective, it acts for better safety and resiliency, economic sustainability, and connectivity of all places.

It links to the 2030 Agenda for Sustainable Development providing a shared proposal for peace and prosperity for people and the planet, now and into the future by ending poverty and other deprivations going hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

In addition, this TAP correlates very well with the New Leipzig Charter, the New European Bauhaus and the Urban Agenda.

This TAP specifically adheres to the principles, proposals and objectives set out in the Resolution on a vision for Europe: The Future of Cross-border Cooperation, released by Committee of the Region⁵.

3. The challenges, trends and drivers behind

For the for the last 25 years, the European Union has been investing in cross-border cooperation through Interreg⁶, *'enhancing the cooperation process with a view to strengthening the overall harmonious development of the Union'*, as the Commission has a major role in this process by proposing legislation or funding mechanisms or by supporting Member States and regions to better understand the challenges and develop operative arrangements.⁷ And, although, the INTERREG funding has been an important part in alleviating border obstacles and enhancing the spirit of cooperation, this is not the only answer.⁸ Thus, in 2017, the European Commission, acknowledged that some measures that go beyond European funding were needed and identified 10 concrete actions that have 'great potentials to remove further hurdles', as many remain in some key areas (mainly due to changes and/or administrative procedures), such as: finding jobs, accessing healthcare or accessing public services.⁹

As a result of these obstacles and of their peripheral position in relation to a country's economic centres¹⁰, border regions generally perform less well economically than other regions within a Member State. Cross-border regions are affected by social inequalities linked to economic and demographic trends (e.g., ageing, depopulation and in-and outmigration), which have a great toll on territorial access to public services, to education, to employment or affordable and quality housing. In this light, encouraging cooperation between the Member States to improve complementarity of their health services in border regions is a priority for the EU¹¹ and this surfaced as a result of the pandemic.

⁵ https://www.aebr.eu/wp-content/uploads/2021/07/210701-CoR-Resolution_Future-of-CBC-EN.pdf

⁶ a financing instrument for regional development across borders

⁷ https://ec.europa.eu/regional_policy/en/information/publications/communications/2017/boosting-growth-and-cohesion-in-eu-border-regions

⁸ https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/cross-border/#7

⁹ https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/cross-border/#7

¹⁰ Looked at from the *core and periphery theory*, where the periphery's development depends on the central areas in various spheres, including economic, cultural, and political, which prevents their proper development and translates into the population's living conditions. Simultaneously, if such a differentiation persists for too long, it contributes to the deepening of regional disproportions, reflected in Perroux's theory of polarisation [...]. The principle of cumulative causality plays a unique role in the processes and phenomena in border regions, which can undoubtedly be classified as peripheral concerning a given country's economic centres. Gwiazdzińska-Goraj, M., Jezierska-Thöle, A., & Dudzińska, M. (2022). Assessment of the Living Conditions in Polish and German Transborder Regions in the Context of Strengthening Territorial Cohesion in the European Union: Competitiveness or Complementarity? *Social Indicators Research*, 163(1), 29-59. <https://doi.org/10.1007/s11205-022-02889-7>

¹¹ Highlighted in the EP REPORT on cohesion policy as an instrument to reduce healthcare disparities and enhance cross-border health cooperation- https://www.europarl.europa.eu/doceo/document/A-9-2022-0026_EN.html and in EC Report on Boosting Growth and Cohesion in EU Border Regions - https://ec.europa.eu/regional_policy/sources/docoffic/2014/boosting-growth/com_boosting_borders.pdf

The Covid-19 pandemic had a great impact for border regions. If the pre-pandemic (2020) *EU Cross-border cooperation survey*¹², revealed improving conditions, (where respondents were more likely to consider living in a border region as an opportunity (38%) than an obstacle (3%); and cross-border mobility had improved since 2015 reaching 56% (+3pp) of the citizens), the pandemic has exposed the fragility and interdependency of the these regions. Facing the decision of national governments to shut down borders, these regions' resilience was put to a high pressure test. The closure of the borders has brought to light an unusual new reality, limiting the mobility of people or goods, putting all the restrictions and limitations that these border regions have struggled to erase or minimise, or enhancing the legal or economic uncertainties (for instance, for people living in the Nordic countries, this was an unfronted situation, because the borders had not been closed in the past 50 years). The conflict in Ukraine brought new challenges, and immediate effects were felt by the cross-border regions of the eastern flank, that had to quickly react to the massive flow of migrants – testing their social resilience and adaptive capacity in providing the basic facilities and caring for them.

While, the long-term effects of the pandemic or of the war are still to be assessed, some of the impacts are already heavily felt by the people living and working in cross-border areas. The lives of the over 2 million cross-border employed commuters, have been heavily disrupted in the past 2 years and the changes in the labour laws (like the one on teleworking) have had direct impacts, overly experienced in some of the cross-border regions that are highly-dependent on the commuting workforce.

On a day-to-day basis, cross-border mobility - workflows and exchanges - have a positive aspect for the local economic development, and sustaining a diverse economic structure of these territories and providing the necessary transport and communication networks, ensuring distribution from the main gateways and corridors towards the inland, are of the outmost importance. Going for a greener mobility and transforming the challenges that the environmental transition is bringing, could be seen as an accelerator for cross-border cooperation.

The environmental challenges are also of great significance, while experienced locally, they are most of the time managed within a cross-border setting; these range from biodiversity losses, land degradation, desertification and increasing resilience of agriculture and forestry against climate change, access to fresh water supplies and locally sourced food production, to name a few. New challenges will be also brought by the digital transition or by the measures taken on the path to energy independence – most likely to come with a heavy social toll.

In different policy fields or sectors, cross-border regions have been innovative laboratories for testing cooperation on different joint opportunities or in resolving specific problems, but for the governance of functional areas there are still many steps to be taken in order to seize the opportunity of integrated interventions, as these are still limited by the persisting legal and administrative obstacles.¹³

¹² https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/survey-2020/

¹³ 'The crisis' major impact on cross-border communities have proven the necessity to consider persons and the CB territories where they live, in a functional and integrated manner' – one of the conclusions of the report published by European Commission, Directorate-General

One additional distinctive challenge for cross-border areas is related to the need for monitoring and observation. The COVID-19 pandemic has only accentuated the importance of data availability at cross-border level (especially in public service provision, emergency response, health, labour market, transport/ mobility, institutional cooperation, but also in implementing the green deal) as a prerequisite for effective policy implementation, good cooperation and coordination at all administrative levels. Although cross-border monitoring and observation is addressed by different initiatives at national or European level, from cross-border regions and cross-border networks to EU institutions, there is still a strong need to develop local, harmonised datasets and knowledge of cross-border territories¹⁴. And while we can insert some examples of the work done by ESPON¹⁵ (which has proved to be both innovative and necessary for evidence-based policy making), alongside the rich studies released by the European Commission/ DG Regio, one can easily observe that these studies have addressed either sectoral issues, or managed to partly collect the territorial evidence, due to different constraints, especially regarding the access to qualitative data or harmonisation of data collection processes. This leaves the opportunity open to further improving and correctly matching the data collection on cross-border flows, impacts or needs to the right administrative levels (according to their competencies). The other important task is harmonising the methodology for data collection – by promoting and scaling-up the best practices at EU level, especially for those areas that have not been as much involved in the processes (like border regions of Eastern and Southern Europe, for instance) or for enlargement countries.

Policy needs:

- Regarding policies specifically addressing territorial inequalities or socio-economic convergence across border regions, which aspects are considered the most important in terms of priority and who are they addressed? What are the appropriate cross-border policies for overcoming the socio-economic obstacles?
- What kind of additional instruments should be introduced in Cohesion Policy to tackle persistent cross-border obstacles? How can cross-border investments and accessing cross border public services be facilitated?

for Regional and Urban Policy, Peyrony, J., Rubio, J., Viaggi, R., The effects of COVID-19 induced border closures on cross-border regions : an empirical report covering the period March to June 2020, Publications Office, 2021, <https://data.europa.eu/doi/10.2776/092793>

¹⁴ Like the European Commission or the European Court of Auditors. The last underlined that a '*number of actions focused on cross-border data collection (such as cooperation projects with national statistical offices and analysis and studies for specific sectors like rail, health and other public services)*' are being implemented, yet the need '*to develop stronger data and knowledge of cross-border territories remains one of the priorities*' for the 2021–2027 programming period. This is due to the lack of statistical data, which continues to be an issue, and the observation that collecting data is '*a long-term effort with no quick solutions*'.

¹⁵ Studies like ESPON CPS - Cross-border Public Services (2018, 2022), ESPON TIA CBC – Territorial Impact Assessment for Cross-Border Cooperation (2019), ESPON Big data – Potentials of big data for integrated territorial policy development in the European growth corridors (2019); ESPON Updating and Integrating Big Data and Housing Datasets - Cross-border housing markets in Europe (2022) or ESPON IRIE – Interregional flows in Europe (which developed a modelling approach to broader challenges in cross-border flows).

- How to consolidate cross-border governance in a multi-level framework and encourage bottom-up and multi-level approaches? Are cross-border areas - functional areas, with effective governance setups? Are there any knowledge gaps on the territorial impact of cross-border Interreg investments?
- According to your experience, is there any knowledge gap that prevent from delivering more effective policy responses in cross-border areas? Are there any evidence gaps that should be addressed in order to create a set of adequate policy responses at all levels? Could you specify those knowledge gaps?
- Do they result from difficulty in understanding the territorial development trends and challenges for your territory? Or, from lack of access to good practice on how similar places in Europe have dealt with those trends and challenges through the use of projects or policy instruments?

Research support:

- What is the stock of available scientific evidence (beyond the one accumulated by ESPON) on convergence processes in cross-border regions and their impact on territorial cohesion? Is this evidence up-to-date or requires revisiting, e.g. on challenges, drivers, trends and development opportunities behind? Are there any datasets that should be updated regularly (i.e., like on mobility, workflows, commuting, etc.)?
- What are the current discourse questions and debatable aspects that might be further pursued by ESPON?
- In that, are there any distinct evidence gaps on territorial diversity that the ESPON Programme would be suited to fill? What are the instruments to achieve it and how could this complement the work by other research bodies?
- Would you see ESPON as the right instrument to address those knowledge gaps? Why and in what way?
- What would then be your specific evidence and knowledge needs to improve capacity in policymaking that ESPON could address? Could ESPON be the right tool for up-scaling methodologies and harmonization frameworks across the entire ESPON space?