

## OVERLAPS IN INTERREG

*A view from Transnational Cooperation practitioners.*

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### **Disclaimer:**

This paper reflects the experience of practitioners from MAs and JSs.

It is intended to contribute to the debate by informing the policy-makers and in no-way it is intended to take the place of policy-makers.

It leaves all responsibilities of programming groups unchanged, such as taking decisions on the aim and priorities of their Programme on the basis of the territorial analyses of the geography.

Mitigation measures proposed in this paper are to be understood as a menu of possible options for coordination, from which each involved party can take inspiration considering the specific situation or each programme area.

## 1. INTRODUCTION.

In recent years, awareness on the issue of funding overlaps has grown among EU policy makers. Since 2007, measures going in the direction of strengthening coordination among programmes have been gradually introduced in the regulatory frameworks for new Cohesion Policy programming periods.<sup>1 2</sup>

Regarding Interreg programmes, the ex-post evaluation of Cohesion Policy programmes 2007-2013 detected that “coordination between ETC programmes and mainstream programmes remained limited” and also that “cross-programme collaboration within the Interreg family remained limited, despite the overlap between many geographical areas covered by Interreg programmes”.<sup>3</sup>

With this paper, transnational Interreg programmes have developed concrete ideas for the programming phase to improve coordination among programmes from the start in order to strengthen synergies and complementarities and to avoid duplications.

## 2. DEFINITION.

In this brief we talk about “overlaps” between programmes, where the aim of the policy, the theme addressed, and the geography are the same.

That means in practice, that we only look at overlaps with other **Interreg** programmes, as they all 1) support the same policy (addressing Cohesion through Territorial Cooperation), and potentially also 2) address the same themes chosen from the menu in the Regulations, and 3) address (parts of) the same geography.

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<sup>1</sup> Study for the EU Parliament: Maximisation of synergies between European Structural and Investment Funds and other EU instruments to attain Europe 2020 goal. Martin Ferry, Stefan Kah, John Bachtler, 2016.

<sup>2</sup> Study for the European Commission: Study on the coordination and harmonisation of ESI Funds and other EU instruments. KPMG and Prognos, 2018.

<sup>3</sup> European Commission-Ex post evaluation of Cohesion Policy programmes 2007-2013, financed by the European Regional Development Fund (ERDF) and Cohesion Fund (CF). ADE, 2016.

### 3. ISSUE.

If an overlap as defined exists, some potential risks must be mitigated.

Below we mention some of the most common risks:

- a. **UNEVEN ACCESS TO FUNDING** (more budget and more chances) for applicants from those regions or sectors covered by programmes with overlaps, than from regions or sectors covered by only one Interreg Programme;
- b. **COMPETITION BETWEEN PROGRAMMES**. Elements as subsidy rate, administrative burden, image, budget still available, quality competition, make applicants go to some programmes first while other overlapping programmes will face a slow start as a result;
- c. **CREATION OF A SECTOR OF CONSULTANTS** and public development agencies, which shop around with ideas, focusing on the money or local interests and paying a rather low attention to the policy-aim;
- d. Projects that **ADD THE ONE OR THE OTHER PROJECT PARTNER OR ASPECT** without a real project role or relevance, just to create the geographical or thematical coverage needed to be eligible for another programme (e.g. from CBC to TN or vice-versa)
- e. **DOUBLE FUNDING** is a risk which must be prevented, sometimes similarity of projects and partnerships sheds unproven doubts
- f. **DUPLICATION OF EFFORTS** and inefficient use of tax-payers money when a project repeats outputs and results already achieved by another project, thus “reinventing the wheel” without building on existing knowledge.

### 4. OPPORTUNITY.

Overlaps also have some advantages:

- a. Generation of synergies when projects funded by overlapping programmes join forces in order to achieve **GREATER IMPACT AND EFFICIENCY**. In other words, it is about better combining effects towards the set development goals.
- b. **HIGHER VISIBILITY** of the funding opportunities as more organisations will be reached with more communication from the different programmes, who also can refer applicants to better suited funding sources.

### 5. MITIGATION OF RISKS AND ENHANCEMENT OF SYNERGIES.

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#### LESSONS LEARNED 2014-2020.

Programme MAs/JSs are aware of the risks and during **programme implementation** they analyse the coherence of submitted applications with already existing initiatives. For example, all programmes ask in application forms to explain how projects will be built on previous initiatives and assess the answers, making use of their own databases from current and previous periods. Most programmes extend their search with Internet searches and many also use the KEEP.eu database to compare.

Such measures mitigate the risks related to projects, such as mentioned under d., e. and f. and they are the start of looking at synergies between projects (synergy a.).

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PROGRAMMING PHASE 2021-2027.

Risks related to the programme level (a. to d.) and also opportunity b. can only be addressed during the programming phase of the overlapping programmes. After finalising the programme documents everything is 'set-in-stone' and can't be changed for another 7 years. It must be recognised that during the preparation of the 2014-2020 period the overlaps could have had more attention from the respective programming groups.

Therefore, we conclude: **NOW IS THE TIME.**

To mitigate mentioned risks the programming phase is the phase when to address it best.

Each programme has its own specificity for its whole area and, on the other hand, the territory of TNC programmes also includes (sometimes large) parts which overlap with one or more other programmes. The specificity of each programme is visible in the types of beneficiaries, types of areas, types of projects. The challenge during the programming phase is to make these specificities as distinctive as possible, compared to the programmes with which an overlap exists.

We can imagine that this takes the form of '**COMPARATIVE STRENGTHS OR PROGRAMME NICHES**'.

This would make it easier for applicants to know where they should apply, and this would mitigate risks b to f.

**A practical example how potential overlap was turned in to synergy**

The European Commission defines industrial symbiosis as the process by which wastes or by-products of an industry or industrial process become the raw materials for another. Application of this concept allows materials to be used in a more sustainable way and contributes to the creation of a circular economy. The Interreg South Baltic project "Urban Baltic Industrial Symbiosis (UBIS 2017-2019) as well as the Interreg Baltic Sea Region project "Baltic Industrial Symbiosis" (BIS 2019-2021) initiate industrial symbiosis through cooperation between research, companies, utilities and municipalities.

The UBIS project focused on developing specific technologies and implementing five pilot investments of industrial symbiosis for energy saving in the South-Baltic area. UBIS also supported developing business and financing models for specific industrial symbiosis investments. The transnational BIS project aims at building institutional and organisational capacity in local and regional authorities; education and research institutes and business. Innovation experts will be trained to manage the industrial symbiosis approach. At the end, a Baltic Sea Region "Industrial Symbiosis Council" will be set up as a platform for dialogue and policy learning.

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## HOW?

To strengthen coordination and synergies between programmes, the following elements should be considered during the programming phase of programmes with overlaps:

- Territorial Analysis: from the start, sharing Terms of Reference (for instance asking all drafters to consider overlaps and propose specific recommendations), sharing intermediate and final outcomes.
- Strategy and Intervention Logic: from the start share all (preparatory) documents.
- Partner consultation: from the start share (preparation of) public consultations, expand them by addressing overlaps and explaining programme specificities, try to coordinate the timing of such consultations across overlapping programmes to allow some common questions, target key actors for a broader reflection (like the macro-regional stakeholders), integrate the outcome of joint reflections in the programming.

This could benefit from an active steering participation by the European Commission (DGRegio) and by the Member States representatives from the preparation groups of the different Interreg programmes giving a concrete meaning to shared management.

A structure, like a **NETWORK**, could help in this respect. As the geographic overlap between most CBC programmes is rather limited and most overlaps that Interreg programmes have, is with the Transnational programmes, it is the most pragmatic to start creating a network of MS/MA/JS/Commission staff for **EACH TRANSNATIONAL PROGRAMME** which should include all Interreg programmes with geographically (partly) the same area.

This network should compare the formulation of ‘comparative strengths or niches’ and then conclude between which programmes there is a real overlap (geography and theme i.e. niche).

In a next step the participation network could be reduced to those programmes only. And in this reduced network, discussions could lead to further narrowing of programme niches, to avoid negative impact of overlaps.

In case this is not possible, then the programmes concerned should agree on measures in the implementation phase.

The network should also address the building of synergies on overlaps.

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## KEEP 3.0

A substantial part of the programming phase includes also preparations for implementation of the new generation of programmes.

To facilitate this programming task, we already want to flag up one idea for more structured projects’ scrutiny making use of nowadays digital tools: to enhance the keep.eu database managed by INTERACT with a system that allows quick comparison of project-ideas and applications with existing ideas, applications and running projects. This would probably mean to equip **keep 3.0 with algorithms** capable of flagging up resemblances.

**CONCLUDING:**

- We are convinced that overlaps are a challenge, a challenge which is currently addressed to a certain extent in the implementation phase of Interreg Programmes. But we also see overlaps as an opportunity to create synergies.
- We are also convinced that ex-ante avoiding overlaps is more efficient and effective than mitigating the impact during the implementation phase and we think that the identification of comparative strengths or ‘niches’ per programme would solve a lot of challenges.

Therefore,

- We advise **policy makers** and **programming groups** to take the overlaps into account during the programming phase, which is actually starting now.
- We advise **the Commission** (DGRegio) to actively promote programmes to cooperate, for instance in networks per transnational programme with potential overlaps.