

European Territorial Cooperation : An Overview

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ABSTRACT

This paper provides a comprehensive overview of the European Territorial Cooperation (ETC) Framework, a central pillar of the European Union's regional cohesion policy. Tracing its origins from the early postwar efforts at cross-border collaboration, the framework's evolution is outlined from its inception in 1990 as a cross-border initiative to its current multi-strand structure encompassing Cross-border (Interreg A), Transnational (Interreg B), Interregional (Interreg C), and Outermost Region (Interreg D) cooperation. The analysis emphasizes how each strand addresses specific territorial challenges-ranging from improving connectivity and economic integration in border regions to fostering innovation, sustainable development, and institutional capacity across and beyond EU borders. It also discusses governance reforms, including the adoption of multi-level governance and administrative simplification, to strengthen institutional capacity and ensure the sustainability and impact of cooperation projects. Overall, the ETC Framework emerges as a dynamic instrument for promoting territorial cohesion, reducing regional disparities, and fostering a more integrated and resilient European Union.

Keywords: European Territorial cooperation, Postwar efforts, Framework's evolution, Cross-border

INTRODUCTION

The "European Territorial Cooperation" (ETC), is one of the two primary objectives of the European Union's cohesion policy. This territorial cooperation framework provides a framework for the implementation of joint actions and policy exchanges between the EU national, regional and local actors of the different Member-states. In addition to this, Interreg or ETC also provides a framework to collaborate between the EU Member-states and neighbouring countries. The main objective of Interreg or ETC is to promote a harmonious, economic, social and territorial development of the Union as a whole¹. Interreg began as a Community Initiative during 1990 to achieve EU objectives for promoting unity through border-area collaboration. With an initial funding amount of EUR 1 billion the program concentrated on developing

cross-border collaboration approaches that resolved joint problems affecting border areas. An initial line of EU cohesion policy work started in the early stages as one of the core components of this integrated policy framework.

Interreg or European Territorial Cooperation Framework is classified under four strands of cooperation:

- Cross-Border Cooperation (Interreg A)
- Transnational Cooperation (Interreg B)
- Interregional Cooperation (Interreg C)
- Outermost Region Cooperation (Interreg D)

Interreg has experienced substantial growth in its size and mission since its inception during the last three decades. Since its inception with cross-border cooperation support the program now embraces transnational as well as interregional cooperation initiatives. Programs established under Interreg enable multiple types of

1. What is "Interreg" – Managing Authority Interreg 2021-2027.

regional cooperation including adjacent areas but also extend assistance to regions that need help overcoming shared problems within broader geographical areas such as environmental issues and innovation among others.

Origin and Evolution of European Territorial Cooperation in the European Union:

Interreg was established by the European Union in 1990 to support regional and territorial cooperation as an integral component of the European Cohesion Policy². Its main objective was to overcome obstacles deriving from national borders and to tackle significant disparities among regions in an effort to build a more unified and integrated European landscape. Interreg started as a cross-border instrument in the 1990s before evolving into an advanced program that also focused on transnational and interregional cooperation by the turn of this century.

The seeds of European Territorial Cooperation (ETC) were sown much earlier and stem from the early years of postwar European integration. The Council of Europe, established in 1949 to ensure the region's unity and strengthen its democratic institutions, was a significant early driving force at the Pan-European level³. The Council started prompting municipalities and regional administrations to collaborate across international boundaries. As a result, the Madrid Convention of 1980 established the legal framework within which local and regional governments could conduct cross-border cooperation. It provided the groundwork for EU initiatives that followed in this field.

In the mid-1980s, the European Commission concluded that fostering closer territorial cooperation was fundamental to accomplishing the aims of the European Economic and Monetary Union and driving economic as well as political integration. The Single European Act (1986) and the overhaul of the Structural Funds in 1988 spurred the development of more organized cooperation at the regional level⁴. By the early 1990s, Interreg I had

been established, supported by funding from the European Regional Development Fund (ERDF). Since Interreg I was designed to address the tangible challenges associated with better linkages across EU borders it primarily focused on projects involving neighbouring countries.

Interreg underwent substantial transformation as the EU grew and strengthened its joint endeavours. From the early 2000s onward, the program established transnational cooperation zones across Europe's major geographical areas and launched interregional initiatives to share knowledge and improve administrative capabilities across the entire continent. Moreover, opening Interreg to foreign partners revealed the EU's willingness to apply its approach to integrated regional development in nearby countries and worldwide. Interreg emerged as a key element for European integration and a major driver of the Union's goals in areas ranging from climate and digital transition to migration and external affairs.

The European Commission has declared that the 2021–2027 programming period is the largest and most complex edition of Interreg so far, featuring four strands (A, B, C and D) and a budget of around EUR 10 billion. The current EU programming period embodies a refined approach to territorial solidarity, built upon years of development, boundary-crossing innovation and intergovernmental cooperation. The European Structural and Investment Funds (ESIF) incorporated Interreg which made this program an essential instrument for territorial cohesion⁵.

From Borders to Beyond: Delving into the Multi-Level Structure of EU's Interreg Programmes.

Cross-Border Cooperation (Interreg A):

Cross-border cooperation encourages partnerships within the Member-states and neighbours of the European Union. Cross-Border Cooperation is instrumentalised in to three policies: to promote Cross-Border cooperation

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2. European Commission. (n.d.). *Interreg: European Territorial Co-operation*. European Commission. https://ec.europa.eu/regional_policy/policy/cooperation/european-territorial_en
 3. European Union. (n.d.). *History of the European Union 1945–59*. https://european-union.europa.eu/principles-countries-history/history-eu/1945-59_en
 4. European Parliament. (n.d.). *Developments up to the Single European Act*. Fact Sheets on the European Union. <https://www.europarl.europa.eu/factsheets/en/sheet/2/developments-up-to-the-single-european-act>.
 5. European Commission. (n.d.). *Interreg: European Territorial Co-operation*. https://ec.europa.eu/regional_policy/policy/cooperation/european-territorial_en

within the EU-Member-states, European Neighbourhood policy and Instrument for Pre-Accession Assistance (IPA). European Union borders and its neighbouring regions encounter similar struggles from insufficient cross-border transport to significant differences in economic development or environmental challenges. Cross-border cooperation supports collaborative efforts to improve regional prosperity and interconnectivity and encourages partners to develop new ways of working together. Projects often support joint initiatives on issues such as cross-border transportation, integration of healthcare services, connecting the labour markets and enhancing the protection of the environment. Every cross-border cooperation initiative is designed for a specific border region and jointly driven by the countries involved. As a result, endeavours carried out in the France–Belgium border region, can look very different from initiatives underway on the Hungary–Romania border. Interreg A has played a crucial role in creating community and solidarity among people living in closed crossings over the period of time. This strategy plays a significant role in regards to integrating and connecting the many border communities across the European Union. This initiative helps to narrow disparities between different parts of Europe. Cross-border cooperation plays a vital role in achieving Europe’s integration by providing local actors with means to create change. Cross-border cooperation still focuses on sustainable and innovative initiatives as well as improving quality of life in border regions in the present funding period.

Transnational Cooperation (Interreg B):

Interreg B is dedicated to fostering collaboration among multiple countries and territories that span substantial regions. Interreg B focuses on broader, transnational areas instead of simply contiguous border regions. The Danube Transnational Programme, North Sea Region Programme and Mediterranean Programme represent major examples of Interreg B’s transnational cooperation. The areas that Interreg B promotes include integrated territorial development, environmental management, disaster prevention, innovation and sustainable transport. Many of these areas span multiple countries and necessitate coordinated action across international boundaries. Coordinating policies at a

regional level within countries and working together on complex challenges such as climate change, migration and energy transition is an important aspect of Interreg B. Transnational cooperation provides opportunities for joint use of resources, exchange of information and harmonization of approaches by public bodies, academic organisations and businesses. The program facilitates the testing and adoption of successful project models across multiple nations to improve their broad application. The next seven-year programming period emphasizes linking macro-regional strategies, including the EU Strategy for the Baltic Sea Region (EUSBSR) and the EU Strategy for the Alpine Region (EUSALP)⁶. These strategies strengthen links between Interreg B and other European and national investment sources. Interreg B invests in the solutions that make Europe both more coherent and able to tackle cross-border issues at the regional level.

Interregional Cooperation (Interreg C):

Interreg C promotes cooperation among the European regions and partner non-EU countries, allowing them to exchange expertise, innovations and skills in formulating policies irrespective of geographical separation. Working together in Interreg C does not rely on shared geography but rather involves sharing expertise and new ideas across policy areas. The Interreg Europe Programme facilitates policy exchange between various levels of government within and across regional and local contexts. It focuses on enhancing the implementation of EU regional development policies and investment projects that fall under the Cohesion Policy. The main thematic areas involve research and innovation, improving the competitiveness of small and medium-sized enterprises, transitioning to green and low-carbon economies and safeguarding the environment. The partners in projects funded by Interreg C work together to tackle issues or reach goals that are shared across their respective regions. The priority is on finding new policy solutions and exchanging good practices rather than on building new infrastructure. A region in Spain could join forces with a counterpart in Finland to strengthen their approaches to circular economy and enhance urban mobility. URban Action Co-operation Tool (URBACT) supports cities in developing smarter and more sustainable urban projects through collaboration and collective

6. European Commission. (n.d.). *EU strategy for the Baltic Sea region*. https://ec.europa.eu/regional_policy/policy/cooperation/macro-regional-strategies/baltic-sea_en.

action⁷. It empowers local authorities to collaborate and exchange ideas with their counterparts in other regions across Europe. Both European Spatial Planning Observation Network (ESPON) and Interreg Interregional Cooperation Tool (INTERACT) conduct studies and offer assistance to increase shared understanding and improve implementation throughout the Interreg programs. Interreg C in Europe plays a vital role as a hub for learning and sharing innovative governance techniques and best practices from one nation to another.

Outermost and External Cooperation (Interreg D):

Interreg D plays a key role in promoting partnerships between the EU and other countries as well as with its outermost regions. This strand facilitates collaboration across the EU's borders, enhancing cooperation with neighbouring countries and promoting stability, prosperity and sustainable development within its wider neighbourhood. Interreg Neighbourhood External (INTERREG NEXT) focuses on developing partnerships with nations around the EU's borders, especially those in the Eastern Partnership and Southern Neighbourhood as well as the Arctic area. It helps the EU achieve its goals for engagement with its neighbours. The funded projects often focus on areas such as border management, dealing with shared challenges related to the environment, improving education opportunities and promoting cultural ties between populations on both sides. The Outermost Regions strand enables the EU's more isolated islands to collaborate with their proximity nations and offshore regions. Caribbean outermost regions may collaborate with nearby countries in the region for actions focusing on disaster risk reduction, addressing climate change and promoting economic growth. Interreg D simultaneously promotes regional integration and integrated approaches to addressing EU challenges in neighbouring regions, building on the intent of the Cohesion Policy. These policies are supplemented by the Neighbourhood, Development and International Partnership (NIEDI) and Instrument for Pre-Accession Assistance (IPA)⁸. Interreg D has placed greater focus on implementing resilience, dealing with migration flows and advancing

the transition to green economies in its projects. It illustrates the EU's dedication to comprehensive and collaborative development across the region, promoting solidarity as well as projecting EU influence internationally.

Through its implementation the programme stands vital in achieving territorial cohesion by smoothing differences between regions as it develops ties between EU countries and their bordering nations. The program develops institutional governing abilities and administrative systems which alongside its promotion of social linkages generates knowledge sharing between groups. Through its operations Interreg establishes a more integrated cohesive European Union.

Strengthening Synergies: The Embedding Principle:

The embedded reduces Interreg actions with EU-wide strategies and Sea Basin strategies, hence making them more closely aligned and integrated in the pursuit of shared objectives. The embedding principle fosters the alignment of Interreg objectives with the larger context of European Regional Development Fund (ERDF) programming and its implementation. European Territorial Cooperation Programs are now integrated into the broader Mediterranean strategies, promoting greater coordination, continuity and effectiveness. This approach transitions from project-specific actions to policy-centred cooperation models in which territorial cooperation becomes a crucial component of EU cohesion policies.

The embedding principle is designed to create synergies and realise mutual benefits between Interreg cooperation and macro-regional or sea basin strategies. As a result, issues like environmental conservation, regional growth, digital transformation and sustainable transport are tackled co-ordinately across multiple administrative levels and with appropriate financial resources. Member States and Interreg managing authorities are urged to align their programs with macro-regional objectives in order to achieve complementary and more effective territorial development.

As a result, the embedding approach helps to achieve the EU's objective of improving territorial cohesion and enhancing policy coherence across its

7. URBACT. (n.d.). *URBACT – Driving change for better cities*. <https://urbact.eu/>.

8. European Commission. (n.d.). *Instrument for Pre-accession Assistance (IPA) III - Performance*. https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/instrument-pre-accession-assistance-ipa-iii-performance_en.

regions. By promoting the integration of cooperation in various policy areas and between administrative layers, it helps overcome the fragmentation and barriers often present in regional policy. Consequently, cooperation is systematically integrated into all levels of EU regional planning and motivates collaborative approaches, joint decision-making and innovative policies spanning borders. Consequently, embedding Interreg interventions within the EU policy framework strengthens their profile, meaning and long-term effectiveness.

Institutional and Governance Enhancements:

Having robust institutional and governance structures in place has become a key focus during the Interreg 2021–2027 programming period to enable the successful realization of cross-border, transnational and interregional cooperation activities. Building institutional capacity is vital to making sure that Interreg projects are effective, long-lasting and achieve measurable results. Simplification of procedures, standardization of rules and encouragement of result-based planning are some of the administrative reforms put in place by both the European Commission and managing authorities. Improvements in monitoring and evaluation practices allow for greater oversight and facilitate the measurement of progress made towards program goals

Multi-level Governance (MLG) has become a key priority for Interreg. Such multilevel collaborations empower entities at every level of governance, as well as civil society, business and academia, to contribute to the creation and execution of joint endeavours. An inclusive approach to governance allows projects to better align with local needs and take into consideration the specific socio-economic considerations of the involved regions. The Interreg Baltic Sea Region Programme works closely with regional development agencies, municipalities and local NGOs to tackle issues such as maritime safety and green shipping. Working with actors at different levels of governance ensures that policies are grounded in the needs of the region.

Interreg promotes efforts that assist in modernizing administration and advancing institutional know-how. Specialized programs providing learning opportunities, cross-jurisdictional exchanges and dedicated knowledge resources have been established to support regional authorities in dealing with the intricacies of transnational administration. Advanced digital tools are being implemented to improve the coordination of activities and

the implementation of projects. Digitizing cohesion processes through e-platforms, monitoring tools and electronic submission systems decreases red tape, enhances transparency and speeds up project review and funding. For example, the Interreg Europe online platform promotes the exchange of good practices and supports knowledge transfer among regions, encouraging institutional development and innovation throughout Europe.

From Vision to Cohesion: Collaboration at the Institutional Level in Advancing European Territorial Cooperation:

The Interreg Regulation follows the ordinary legislative procedure thus creating equal legislative powers for the European Parliament and the Council to exercise. The European Parliament pushed to expand European Territorial Cooperation programs' budget during the 2021–2027 framework negotiations as they also supported easy rules and processes while backing small project initiatives involving direct human interaction during the negotiations. The European Parliament focused on climate and social objectives congruence while giving critical attention to the needs of outermost regions within its legislative process.

The European Commission posted a regulation proposal for 2018 that established optional guidelines for European Member States bordering one another to use each other's regulatory frameworks if required. This proposal gained support from the European Parliament although the Council objected to its voluntary framework while also pointing out the technical requirements and recognition problems with existing systems and possible national constitutional implications. The Council stopped all further examination of the initiative due to arising concerns expressed by its members.

During two subsequent years the Committee on Regional Development of the European Parliament attempted continuous dialogue with both the Council and the Commission to modify the proposal. In September 2023 a resolution led to requests for a regulation revision from the Commission which would create harmony between two co-legislators' positions. The European Parliament declared support for increased collaboration to remove legal and administrative hurdles during ongoing intra-EU labour movement and cross-border union. The document requests a harmonized framework for coordination that eliminates duplicated efforts and

reduces administrative procedures to improve project efficiency during cross-border implementation.

Monitoring, Evaluation, and Performance Indicators:

All Interreg programmes adhere to a well-organized Monitoring and Evaluation framework (M&E) in order to guarantee transparency, accountability and responsible allocation of public resources. Interreg programs are required to develop a performance framework based on specific indicators, targets and milestones. Setting such targets allows program managers and the European Commission to determine if progress towards objectives is being made. Evaluations occur regularly and include annual progress reports, mid-term assessments and an overall performance review. These evaluations offer valuable information on the successes and areas for improvement within the programme. The Directorate-General (REGIO) oversees the management of this framework and promotes standardization among Member States as well as the application of what has been learned to the development of future programmes.

The approach used to oversee performance adopts a clear focus on obtaining meaningful outcomes. The framework shifts the focus away from monitoring inputs and outputs to measure the true changes in territory, society and the economy resulting from cooperation between program participants. It encourages a focus on outcomes and results, rather than just fulfilling requirements. Interreg is increasingly utilizing digital solutions such as Geographic Information Systems (GIS) and online dashboards to ensure real-time monitoring of project progress and spatial outcomes. The use of digital tools improves stakeholder engagement by allowing for open and straightforward access to information for governments, project participants and members of the community. This method helps ensure that Interreg programs remain accountable and adapted to changes in modern governance systems.

Branding and Communication:

A single Interreg branding initiative began operation

in the 2021–2027 timeframe to enhance recognition of Interreg-funded projects by the public. The branding initiative contains integrated standards about logo use and design templates along with required communication tools and imposes sanctions for non-adherence to branding guidelines. The Interreg Brand Design Manual serves as a complete guide to implement branding properly by helping stakeholders to ensure that people and partners can identify Interreg projects readily. All Interreg IPA and NEXT programs use the same branding system to demonstrate their nature as cross-border as well as transnational and interregional entities⁹.

Conclusion:

European Territorial Cooperation (ETC) plays a vital role in supporting the European Union's efforts to promote cohesion, solidarity and balanced development within all regions. The transformation of ETC into a structured instrument of cooperative governance is a product of the European Union's long-term commitment to promote solidarity and cooperation among its territories. The four strands of Interreg facilitate dynamic and place-specific cooperation that spans across borders, enabling regions, cities and institutions to address local challenges together.

Strengthening ties with the European Green Deal and Cohesion Policy, the use of European Territorial Cooperation's embedding principle, digitalized monitoring mechanisms and results-based performance indicators ensures its continued alignment with wider EU objectives. Notably, the European Commission, European Parliament and the Council of Europe have been instrumental in embedding cooperation as a characteristic of a broadly adopted governance approach throughout the European Union. Effective communication and proper branding ensure territorial cooperation is both competent and recognized. European Territorial Cooperation stands out as a model for how cross-border cooperation promotes resilience, innovation and unity while providing effective responses to both local and international challenges in today's integrated Europe.

9. European Commission. (2021, December 17). *New Interreg branding for the 2021-2027 period*. https://ec.europa.eu/regional_policy/en/newsroom/news/2021/12/17-12-2021-new-interreg-branding-for-the-2021-2027-period