Reinforcing territorial cooperation and addressing challenges on European integration

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The European Commission, the Directorate-General Regional and Urban Policy (lead) and the Directorate-General Employment, Social Affairs and Inclusion (associated) have set up a Reflection Group on the future of Cohesion Policy. The group includes high-level members from academia and practice and in 2023 will meet nine times to reflect on current and future needs and the functioning of Cohesion Policy.

The group will offer conclusions and recommendations that will feed the reflection process on Cohesion Policy post-2027 including through the 9th Cohesion Report in 2024 and the mid-term review of Cohesion Policy programmes in 2025.

About the author

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Disclaimer

This paper is an independent input to the reflection paper. The opinions expressed in this paper are the sole responsibility of the authors and do not necessarily represent the official position of Reflection Group or the European Commission.

Key words

Cross-border cooperation, cross-border region, cross-border integration, INTERREG, Cohesion Policy

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Acronyms

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<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>BRIDGEU</td>
<td>Border Regions’ Instrument for Development and Growth in the EU</td>
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<tr>
<td>CBC</td>
<td>Cross-border cooperation</td>
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<tr>
<td>CBI</td>
<td>Cross-border integration</td>
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<tr>
<td>CBR</td>
<td>Cross-border region</td>
</tr>
<tr>
<td>CBFA</td>
<td>Cross-border functional area</td>
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<tr>
<td>CLLD</td>
<td>Community led local development</td>
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<tr>
<td>ECBM</td>
<td>European Cross-Border Mechanism</td>
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<td>ESF</td>
<td>European Social Fund</td>
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<tr>
<td>ITI</td>
<td>Integrated territorial instrument</td>
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<td>P2P</td>
<td>People to people projects</td>
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1. **Introduction and scope of the paper**

This paper shall serve as a part of the reflection in discussing the reinforcing territorial cooperation and addressing challenges to European integration. In its Eighth Cohesion Report (EC, 2022) the Commission has inter alia identified the need to strengthen cross-border and interregional cooperation, as the pandemic highlighted the difficulties of having to cross national borders for work, education, healthcare, and other services. The people from borderlands were impacted by these shocks much more than those not living there (Medeiros et al., 2020; Opiłowska, 2020). It is extremely important to keep borderlands as attractive areas for life, sometimes people are staying there just because they have a chance to work on the other side of the border (Novotný, Böhm, 2022) or profit from the proximity of neighbours in a different way. Addressing these issues requires better governance of border regions, wider application of place-based approaches, removing mental and administrative barriers and mainstreaming of the territorial cooperation agenda into other programmes (EC, 2022).

In its general "non-cross-border specific part", the Report underlines the need to strengthen the resilience of European regions. Under the conditions of the ongoing polycrisis, which is fracturing the European political system across multiple, simultaneous rifts, thereby creating a ‘polycleavage’ (Zeitlin et al., 2019), the cohesion policy shall be able to respond to unexpected shocks. This need is even more pressing in borderlands and cross-border regions (CBR), which are more vulnerable to external shocks (cf. Medeiros et al., 2020; Opiłowska, 2020; Laine, 2021). The Report also underlines that territorial instruments engaging local actors and applying the partnership principle can help address pressure on democracy by increasing ownership of European policies. Cross-border and territorial cooperation creates new communities of common interest, soft spaces (Faludi, 2018) and supports the visible delivery of public goods at different territorial levels. It also helps to eliminate the mental distance and "otherness" and can contribute to the building of cross-border identities.

The INTERREG programme is the key incentive promoting cross-border cooperation (CBC) in the EU (and with neighbouring countries). In some parts (especially in the "new" EU), INTERREG could be sometimes understood as a different name for CBC, but it is important for the entire EU (Durand & Decoville, 2020). To this end, this paper shall focus on the possible ways, how can the INTERREG (and the application of its principles in mainstream programmes) help to strengthen cohesion, in its both economic as well as ideational meanings. It will primarily address the following questions:

- Shall INTERREG focus more on building cooperation capacity/identity at the local and regional level or any relevant priority that would help tackle persistent cross-border obstacles?
- Should cooperation be further incentivised including in mainstream cohesion policy programmes? How?
- How to further improve the cooperation programmes between EU Member States and Neighbourhood regions?

The structure of the paper is as follows: after this introduction, ideational, functional, and institutional dimensions of cross-border integration in various parts of the EU are discussed. The ongoing polycrisis challenges the resilience of cross-border regions, hence a short application of this concept in borderlands studies is presented. Based on the theoretical part, which is finished by introducing the principles of cross-border planning, the three principal
research questions are addressed and discussed in the third part. The concluding part sketches possible implications for the next programming period and the future of INTERREG within the cohesion policy framework.

Methodologically, the paper is mainly based on desk research. Moreover, semi-structured interviews with representatives of cross-border associations/institutions and cohesion experts were conducted (between 1 and 8 June 2023).

1 Importance and limits of cross-border integration

In this chapter, concepts, which are special for CBC, and which differentiate it from the “mainstream” cohesion policy, are presented. The soft elements, such as cross-border trust (or its lack), and the fact that cross-border integration is in many cases made by flows caused by differences between neighbouring regions (Sohn, 2014, Ocskay, 2020), make cohesion more important than convergence. The extraordinary nature of CBC asks for specialised professional cross-border governance structures, which are able to permanently animate cross-border interactions. The complexity and cross-disciplinary character of CBC can be explained by mentioning its five principle dimensions (see Figure 1), which combine multi-level governance, regional development (and convergence), and elements of mutual cooperation and trust, contributing herewith to cohesion and European integration.

Figure 1 Dimensions of cross-border cooperation

Despite the single market, enlarged Schengen and European funding should theoretically have led to an inevitable cross-border integration (Sohn, 2014), its level differs. European integration has remained imperfect as national borders still create a development barrier. This can be well-documented on the example of the labour market: while one-third of the EU citizens live in the border regions, only 2 million Europeans – among the 199 million employed persons aged 20-64 years in the EU – are cross-border commuters, i.e., 1 % of all those employed (Eurostat 2020) in the EU in 2019. According to van Houtum and van de Velde (2004), “bordering of our orientation and (id)entity is preventing the existence of a large-scale cross-border or transnational labour market in the EU. The social border produces a difference in the imagination of belonging and as such it produces an attitude of indifference towards the market on what is perceived as the ‘Other side’. The avoidance of uncertainty
and wish to border oneself and identify with an existing socio-spatial category then become important motivators for non-action”. The estimated costs of imperfect European integration add up to 458 billion euros, which accounts for 3% of the European GDP and 8.8% of the total land border regions’ GDP. It also means the loss of more than 6 million jobs, which is 3% of total European employment and 8.6% of land border regions’ employment (Capello et al., 2018).

It should be, however, underlined that cross-border commuting – being one of the flagships of cross-border integration – was on the rise in the EU in pre-pandemic years: the number of Europeans crossing the border to work in a neighbouring country has increased by 94% compared to 2002 (Novotný, Böhm, 2022). Nevertheless, the COVID-19 pandemic brought physical borders back to Europe and caused major rebordering, which influenced also the willingness of borderlanders to consider employment on the other side of the border as granted (cf. van Houtum & van der Velde, 2004).

Van Houtum (2000) categorized three basic approaches to the study of cross-border integration: cross-border flows, cross-border governance structures, and their impact on the reciprocal links and trust among border residents. Cross-border flows, and intense interactions on the border, are linked to the functioning of the single internal market, which allows for seeking complementarities and benefiting from them. Cross-border trust should be reflected in narrowing the mental distance between neighbours, including the elimination of "us" and "them" feelings. Border studies also identify "spaces of absence/indifference" as common patterns of behaviour in the minds and practices of individuals, especially in less integrated border areas. Similarly, van Houtum and van der Velde (2004), van der Velde and van Naerssen (2011), van der Velde and Spierings (2010) or Klatt (2014) have explored the mental distance of individuals as a process that precedes rational evaluation of advantages and opportunities, as reflected in the concepts of the "threshold of indifference", "mental border threshold" and 'bandwidth of unfamiliarity'. Cross-border governance structures/institutions have a unique role in animating cross-border interactions and removing obstacles to further CBI.

Based on these three above-mentioned CBI dimensions, Durand and Decoville (2020) identified six principal macroregional cross-border integration patterns. Unsurprisingly, the highest level of cross-border integration is in the “EU core” alongside the Rhine and in the Nordic countries, with a high level of mutual trust and relatively lower importance of the EU financial incentives. The “Central European - old-new EU” cross-border integration pattern can be characterized by rather one-sided cross-border flows, which create the dominant integration force, whereas the Eastern European "new-new cooperation", jointly with the south-western European and maritime ones, are considered to be the less integrated ones, highly dependent of the EU programmes. These differences call for the careful tailor-made application of place-based approaches, as cross-border flows are not uniform and vary greatly from one cross-border area to another, and there is not always reciprocity with regard to the mutual social trust that people have towards their neighbours within cross-border areas.
Table 1 Territorial models of cross-border integration

<table>
<thead>
<tr>
<th>Model</th>
<th>Characteristics</th>
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<tbody>
<tr>
<td>Western Continental- the Rhineland countries, Belgium, Luxembourg, and French border territories (North and East) as well as the German-Austrian borders</td>
<td>strong functional symmetric integration, high level of confidence on both sides of the borders, low number of actors involved in CBC</td>
</tr>
<tr>
<td>Northern European (Scandinavia)</td>
<td>fairly strong CBC dynamic, with emblematic cases such as Copenhagen-Malmö or Haparanda-Tornio, but the low population density complicates the cooperation</td>
</tr>
<tr>
<td>Central European model contact zone between the former Soviet bloc countries and the eastern regions of the German-speaking world</td>
<td>relatively low mutual propensity of people to have social mutual trust in their neighbours, strong mobilization of European cooperation tools, rather one-sided labour-force flows and density of actors involved in CBC projects</td>
</tr>
<tr>
<td>Eastern-European - Baltic countries, Romania, the northern and southern borders of Poland, the eastern borders HU and SK, and the Greek borders</td>
<td>low mutual social trust between populations living on either side of the border, low interpenetration of neighbouring border territories by the populations (few crossborder activities are observed) and numerous actors, depending on INTERREG</td>
</tr>
<tr>
<td>Southwestern Europe (Portugal, Spain, south of France, western Italy, Croatia)</td>
<td>weak cross-border activities, significant divergences on both sides of the borders with regard to the indicator of mutual social trust</td>
</tr>
<tr>
<td>Maritime model - INTERREG A program areas located on the North Sea, the Baltic Sea, and the Adriatic Sea coasts</td>
<td>low levels – on both sides of the border – of cross-border activities, trust toward foreign neighbours, and involvement in CBC projects</td>
</tr>
<tr>
<td>Borders with Ukraine</td>
<td>Mainly Polish-Ukrainian, but to a certain extent also Hungarian/Romanian/Slovak-Ukrainian borderlands, with high levels of one-sided flows plus interactions caused after 24/02/22. To a certain extent influenced by the application of kin-state/minority policies of PL and HU</td>
</tr>
<tr>
<td>Re-bordered zones after 24/02/22</td>
<td>Places with refrained CBI, mainly bordering Russia, in some regions heavily hit by the restrictions imposed after 24/02/22 (for example Karelia)</td>
</tr>
</tbody>
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Source: modification (last two categories were not part of the original paper) of Durand, Decoville (2020)

The ongoing series of crises have highlighted the critical importance of resilience in the development of border regions (EC, 2021; Chilla & Lambracht, 2022). The concept of resilience has shifted the focus from reactive measures to proactive approaches that foster the comprehensive ability to quickly recover from adversity, positively adapt to challenges, and withstand the persistent pressures exerted by crises on individuals and communities (Laine, 2021). According to Boschma (2015), resilience should be viewed from an evolutionary perspective, as an ongoing process rather than a fixed characteristic of a region.

Laine (2021) suggests that the prevailing notion of threats to borderland communities arising exclusively from external factors, such as sudden influxes of refugees or unexpected border closures, is incomplete. He emphasizes the significance of "internal stressors." Therefore, resilience must encompass both domestic and international concerns, as it is endangered by

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1 This classification, proposed by Durand and Decoville (2020), cannot capture variety of cross-border situations in their entirety. Two last categories were added.
internal and external causes, whether they are sudden or gradually developing. Regional problems that persist over an extended period without successful mitigation become burdens for the region (Martinho, 2021) and undoubtedly impact cooperation.

It is generally expected that borderlands "have less capacity to respond positively to shocks and undergo transformative processes" (Pascariu, Kourtit, Tiganasu, 2020), partly due to their location at interfaces and their susceptibility to political turbulence. The same principle can be applied to their governance structures, as different cultures, political systems, and economic traditions converge in border regions (Hippe et al., 2023). Koch (2021) argues that borderland resilience is not solely dependent on a confined geographical area but can be strengthened through interactions between institutions across borders.

Various cross-border connections and flows play a crucial role in fostering resilience, whether it is through the flow of labour across borders, contributing to regional stability and resilience-building (Koch, 2021; Laine, 2021), or by expanding their "cognitive space" through involving the other side in defining their local identity (Svensson & Balogh, 2021). Prokkola (2019) describes CBC as an opportunity and functioning cross-border linkages as enhancers of long-term regional resilience.

The resilience of borderlands has its own rationale that is interconnected with, yet distinct from, broader agendas, which has become increasingly evident during the COVID-19 pandemic. Border closures and increased state security measures have compelled borderland populations to reaffirm their identities in response (Laine, 2021, Lois et al., 2021). The burden of managing external disturbances in their daily lives primarily falls on the border communities themselves, who must navigate a constant state of instability and uncertainty (Jakubowski, 2022). Each border community reacts differently to these challenges, as borderland resilience is highly context-dependent (Prokkola, 2022).

The existence of barriers at borders necessitates the implementation of strategies for cross-border planning, aiming to strengthen synergies, mobilize territorial resources, and overcome persistent obstacles (Braunerhielm, Alfredsson Olsson & Medeiros, 2019). Durand and Decoville (2018) argue that cross-border spatial planning provides an opportunity to regulate spatial dynamics and promote economic, social, and territorial cohesion. However, it faces numerous challenges, and its definition varies depending on the specific context. Despite planners from neighbouring countries work together to address common issues, they often operate outside their established national legal and institutional frameworks (Dühr & Belof, 2020). As a result, cross-border planning outcomes often lack binding power (Faludi, 2018; Dühr et al., 2010), even though they can contribute to the establishment of a functional joint public sphere (ESPON, 2018). Cross-border planning, as part of deterritorialization processes, encourages the exploration of more flexible and adaptable spaces (Faludi, 2018). Cross-border functional areas, which aim to reduce barriers and facilitate the movement of people, goods, materials, and knowledge (Jakubowski et al., 2022), serve as an excellent example of such flexible spaces while respecting a place-based approach.
2  INTERREG and its role in promoting cross-border cooperation

Whereas INTERREG is always about CBC, the opposite is true only for some European regions (cf. Durand and Decoville, 2019). Yet, the importance of the INTERREG for borderlands is enormous. CBC plays a critical role in human adaptability as it enables social interaction, the exchange of ideas and resources across borders, and the creation of connections and networks leading to the higher resilience of cross-border regions (Laine 2021, Andersen and Prokkola, 2021, pp. 3–4; Davoudi et al., 2013; Korhonen et al., 2021). INTERREG is the crucial tool enabling that. The following chapter shall discuss the future focus of INTERREG, including cooperation with neighbouring states, and possible applications of its principles in the mainstream cohesion programmes.

2.1  Shall Interreg focus more on building cooperation capacity/identity at the local and regional level or any relevant priority that would help tackling persistent cross-border obstacles?

Before we start, one important distinction between INTERREG and national programmes must be underlined: there are still persistent mental, administrative, and technical obstacles, caused by the existence of the national border, acting as a development barrier (Klatt, 2014). Projects implemented across the border face more obstacles, stemming from two or more legislations, mentalities, and languages. They are also more endangered by external stressors. To this end, one cannot apply the same “mainstream programmes” logic for the INTERREG programmes, as the CBC projects will always be less straightforward than inbound mono-national interventions.

INTERREG should address not only "economical" cohesion, but mainly "ideational" cohesion, as it should contribute to narrowing the mental distance between Europeans, which will allow them to benefit from mutual complementarities, originating from differences. “Cross-border cohesion/integration is fuelled by differences, which are often the reason to cross the border. Accordingly, when diminishing the barrier effects of the borders, the INTERREG programmes should not promote convergence (only) but the accessibility to divergence” (Ocskay, 2020).

To have as many possibilities to promote cross-border cohesion as possible, the next generation of INTERREG programmes should respect place-based approaches and avoid one-size-fits-all solutions. As a part of this, the thematic concentration limitations should be revisited/cancelled.

The national administrations dominantly follow principles of territorialism, as outlined by i.a. Faludi (2018). This was visible mainly during the pandemic period when the massive covidfencing (Medeiros et al., 2021) took place. According to Deleixhe, Dembinska, and Iglesias (2019), the peripheral nature of border regions is not solely a result of their geographical distance from the center. It also stems from the challenges posed by institutional disparities and the distance from central authorities. To avoid the synonymization of borderlands with peripheries or even double/triple peripheries (Leutloff-Grandits, 2022), strong(er) cross-border institutions, having sufficient professional capacities, are needed. “Sometimes Interreg projects are self-limited due to the lack of strategic approach. The level of sophistication of cooperation makes it necessary to concentrate on capacities to handle persistent obstacles to cooperation. And the lack of capacities is notorious in many border areas, particularly when we deal with small
municipalities. Only with strong capacities, it is possible to implement sound projects which are useful to build up more structural cooperation later on” (Guillermo Ramirez, 2023).

Cross-border institutions are key players in CB resilience. The continuous capacity building of CBC institutions and governance structures is absolutely necessary for the efficient delivery of cross-border tasks. Formal and informal cross-border institutions and relations of trust are important aspects of the resilience of CBRs (Prokkola, 2019). To this end, there is a need to further strengthen and professionalize institutions having CBC as their primary task, irrespective of their legal form.

INTERREG should largely focus on the further development of mutual cross-border trust, which is a fundamental component of "social capital," which refers to the capacity of individuals to collaborate voluntarily. Trust arises from shared values and established routines (Anheier & Kendall, 2002). Consequently, individuals who trust each other are more inclined to work together, and the positive effects of cooperation accumulate as they continue to collaborate. Thus, trust plays a crucial role in determining partners (Zach & Hill, 2017) and serves as a foundation for various forms of cooperation (Paldam, 2000). Strengthening cross-border trust could/should lead to the creation of cross-border identity. Andersen and Prokkola (2021) argue that people’s self-identification is a crucial asset and resource in coping with geopolitical changes. Developing positive feelings and emotional connectedness with the "other side" of cross-border regions seems to be a desired goal, to which the INTERREG programme can hugely contribute.

We should bear in mind that there are much more obstacles to entering into CBC and INTERREG use than to working with national programmes. The potential project partners must overcome both administrative as well as mental obstacles. Hence, the use of simplified schemes should be continued and extended. Moreover, the use of people-to-people (P2P) schemes should be promoted in more programmes, as these soft projects tend to reduce the often-existing bandwidth of unfamiliarity/indifference (van der Velde & Spierings, 2010). Without the day-to-day work on removing mainly mental obstacles, even using repeated schemes and verified approaches, the level of cross-border trust will be lost.

The accent on ideational cohesion should go hand in hand with removing administrative and legal obstacles to CBC, as these often prevent the proper functioning of the internal market. The successful implementation of the B-Solutions initiative underlined a necessity to permanently collect knowledge on the legal and administrative obstacles that still pose a limit to the interactions between neighbouring regions (EC, 2021). Hence, both cross-border and transnational/interregional types of INTERREG programmes should be also involved in works leading towards removing these obstacles.²

Except for keeping existing actors in CBC, it is important to make INTERREG inclusive and to engage new CBC actors. Whereas public actors are the main beneficiaries of INTERREG programmes, there is a lack of beneficiaries, who can act as multipliers. Schools, in particular, could play a significant role in creating a shared cross-border identity and reducing "mental distance." However, the involvement of schools in INTERREG programs, especially microprojects, is limited compared to other eligible actors. This represents an untapped

² In 2021-2027 Slovak-Hungarian INTERREG, one of the recently approved projects (ACCESS, implemented by CESCI) will focus on the obstacle management along the SK/HU border.
potential for bridging the existing cross-border mental distance that hinders the development of a cross-border identity.

The solution could be in the utilisation of simplified schemes, which should be extensively implemented in INTERREG programs, including their application in microprojects. By making this change, it can be expected that schools will become more active participants in CBC. However, to significantly increase school engagement in INTERREG, a relatively feasible innovation in microproject management could be done, involving the use of pre-defined simplified models. The Czech Education Ministry successfully implemented this approach in its ESF programmes, resulting in 75% of all Czech pre-primary and primary schools using the simplified projects option. This contrasts with the previous low engagement of schools in the ESF use, with only around 8% of Czech schools participating before the introduction of simplified schemes. This measure, involving the expansion of simplified model schemes using the lump sum/unit costs principle, can be replicated effectively in INTERREG programs under the people-to-people framework. This "cross-borderization" and integration of CBC into the daily agenda of schools should help dismantle mental barriers over the long term. A similar example is the "Europeanization" brought about by the Erasmus program in European universities.

Universities, with their teaching, research, and innovation capacities, can also play a more active role in multiplying the effects of CBC. This is evident in the successful cross-border alliances of universities such as the University of the Greater Region and the European Confederation of Upper Rhine universities. These alliances promote cross-borderization through joint research and collaborative study programs, surpassing the volumes seen in other parts of the EU (Böhm, Drápela, Potyatynyk, 2021).

2.2 Should cooperation be further incentivised including in mainstream cohesion policy programmes? How?

There is a need to incentivise cooperation in mainstream programmes, given the persisting barrier function of borders (cf. Capello et al., 2018). The various types of obstacles prevent the proper functioning of the internal market. National operational programmes are to a major extent "border blind", they often lack cross-border impact analysis and/or other border-sensitive elements. For example, in the field of innovations, as underlined in this consultation process (Boschma, 2023), most collaborations in the EU still do not cross-national borders, even where it concerns the most advanced regions in Europe (Balland, 2022; European Commission, 2022a in Boschma, 2023). This failure in the European innovation system justifies strong policy intervention. Most mainstream policies have a "national/central bias", not taking into consideration the dynamics at cross-border level, where genuine integration happens at most. Moreover, there is a strong argument to incentivise cooperation in mainstream programmes, as – at least in the "new EU" - borders often divide two economically weak regions, sometimes facing structurally similar problems, also resulting from their peripheral location. We could advocate the collaboration at the level of neighbouring countries, which would in national programmes coordinate some strategic initiatives, inspired by the local actors involved in the development of strategies of CBFAs.

However, after a series of fundamental crises, which have resulted in the current polycrisis, the general environment for all types of multilateral cooperations has profoundly worsened: compared to 2015, when the Cross-Border Review project started and the Luxembourg Presidency made the ECBM initiative, today, it is very difficult to mainstream cooperation.
There is a danger caused by the advent of the national state (Rúfí et al., 2020): the more significant the policy field where cooperation is promoted, the stronger the opposition of the Member States can get. Consequently, the evolutionary small-steps approach, based on voluntary participation, should be followed in the fields where the EU still has a strong incentivising power, and the support of the Member States could be expected.

Urban policy and the development of urban functional areas are at the forefront of European policies. As the urban centres are often located in border areas and the borders hinder their development and the exploitation of their functions in a 360° circle, the cross-border functional areas (Jakubowski, Wójcik, 2023) can be a topic where cooperation can be highlighted with success. And similarly, rural development policy is another subject where cooperation can be highlighted as border regions are in many cases underdeveloped rural areas. Moreover, sometimes their development cannot be realised without the involvement of the urban centres located on the other side of the border (cf. Decoville et al., 2013). As the Cohesion Report states, peripheral regions may need a new development paradigm, taking account of emerging opportunities, international links, the territorial distribution of specific needs and endowments, and the provision of public goods. Cross-border functional areas (CBFA) should identify joint priorities and use available sources from both INTERREG and mainstream programmes to implement them. Some of these joint initiatives can have a form of cross-border public services (CPS) (ESPON, 2018). These CPS can help (not only) in peripheral regions, as for example illustrated by their existing broad range in Swedish-Norwegian borderlands, where the low population density forces local authorities to join their forces and address the needs of their territories by joint mobilisation of their shared resources.

Also, in light of the lines above, Integrated Territorial Investments (ITI) and Community Led Local Development (CLLD) should be made more “border-sensitive” in the borderland territories. This could also be done by means of the coordination of the preparation of these place-based mechanisms in the next programming period. Having a CPS in the ITIs/CLLDs of two neighbouring territories would promote CBFA.

There are further topics where the Member States’ support is achievable. The monitoring of cross-border flows is required by the economic development needs of the Member States. The provision of health services means a challenge due to the shortages of human resources in more and more countries, which implies the need to share capacities across borders. Further topics where small steps can be made belong to the environmental assets, like water management, protection of biodiversity and nature reserves, joint development of slow tourism, etc. Similarly, cultural cooperation is one of the less contentious topics within the EU. In these topics, the Member States which used to block the prioritisation of cooperation, can be the allies of the cross-border actors.

After the eventual adoption of the BRIDGEU (Border Regions’ Instrument for Development and Growth in the EU) Instrument, the subnational actors are expected to experience fewer administrative and legal cooperation obstacles. This should bring along a higher willingness to promote CPS/cross-border approaches in their place-based mechanisms. Further design of updated joint networks, the consideration of taxation, and social security issues, for example, when thinking of CB workers and enterprises, would mean a step forward.
A recurring problem of cross-border planning is the lack of statistical data and the incompatibility/incommensurability of statistics of adjacent countries (Ocskay, 2020). This has implications for both cross-border regions - where the attempts to monitor the cross-border processes largely differ - as well as for Member States, which are not always aware of the impacts of their interventions in borderlands. Hence, the mainstream programmes could, at least in their ex-ante evaluation phase, conduct certain cross-border/borderland impact analyses.

2.3 How to further improve the cooperation programmes between EU Member States and Neighbourhood Region?

From an academic perspective, there is limited research on the effects of cooperation programs between European Union (EU) member states and neighbouring regions, except for the "Karelian" scholarship. The prospects of future Finnish-Russian cooperation, particularly in the tourism sector, have become significantly more complicated after February 24, 2022. However, lessons learned from previous studies (Makkonen et al., 2018) demonstrate that addressing economic weaknesses in CBRs can align the interests of the EU and its neighbours. Consequently, it is advisable to apply similar principles as those used in INTERREG programs, as mutual trust and cohesion are fundamental values for future joint growth. In general, these programs should facilitate the development of institutionalized cross-border structures, which would enable the transfer of EU governance tools to neighbouring countries’ territorial policies. This approach would also promote decentralised, democratic procedures for territorial management and improve conditions for integrated interventions. Capacity building is crucial in these regions, similar to internal borders, and there should be a focus on enhancing structural cooperation beyond project-based collaboration. This “Europeanization” is one of the main added values of transnational and interregional programmes, including the ones with neighbouring regions. Possibilities to use the benchmarking, transfer of good practice and piloting new solutions should be continued.

The barrier effect is more pronounced at external EU borders compared to internal EU borders. EU regions bordering non-Schengen/EU neighbours are particularly exposed to peripheral effects. Strict border regulations make it more challenging to promote the use of integrated tools, although it is not impossible and highly dependent on the specific context. Nevertheless, even in these regions, CPS have been established and operated, primarily promoting tourism, risk management, and environmental protection, which should be continued.

In the current geopolitical climate, cooperation programs between the EU and neighbouring regions should focus on transferring European values and fostering mutual trust while working to mitigate the negative barrier effect of hard borders. Additionally, the needs of EU regions bordering Russia and Belarus, such as Finnish, Baltic, and Polish regions, should be taken into account. These regions have developed significant cross-border connections with their Russian counterparts, but the events of February 24, 2022, have altered the nature of cross-border interactions and reduced the potential for utilizing the border as a resource. It is essential for these regions to receive support from mainstream programs to adapt to the new border management requirements.
3 Implications for the next generation of INTERREG programmes

European borderlands are colourful and different, with various levels of cross-border integration (Durand & Decoville, 2020), where one cannot apply one-size-fits-all solutions. Some areas are metropolitan and enjoy high levels of living standards, some can benefit from one-sided cross-border labour flows, some of them can be called double/multiple peripheries with a low level of cross-border social practices. All these borderlands are home to one-third of Europeans, and it is crucial to keep/make borderlands places where it is possible to have a good life. In all these borderlands, national borders act as a barrier preventing the full exploitation of the internal market.

With its low allocations, it is not realistic to expect that INTERREG programmes (alone) will help to substantially increase the GDP of all European borderlands. As claimed by Iammarino (2023) and/or Boschma (2023) in this consultation process, the economic performances of European regions will always hugely differ, and borderlands regions often end to be those lagging behind. Hence, the main importance of INTERREG programmes should be seen in their contribution to cross-border cohesion, narrowing the mental distance between Europeans, which will allow them to benefit from mutual complementarities.

In CBC, nothing can be assumed or taken for granted. It is of utmost importance to initiate, facilitate, and sustain interactions across national borders to overcome the barrier effect they create. Local CBC institutions and governance structures play an irreplaceable role in promoting cohesion by addressing both mental and administrative/technical obstacles that hinder cross-border integration. These structures were primarily established in an international environment that favoured multilateralism but have since adapted their operations to cope with the challenges brought by various crises. Their local knowledge, experience, and deep-rooted connections are vital for the resilience of cross-border regions. Therefore, INTERREG should continue to prioritise capacity building for these institutions.

To enhance cross-border integration, it is necessary to encourage cooperation among new categories of actors. Greater involvement of different types of schools, which can act as catalysts for the development of cross-border identities, is recommended. Simplified schemes, particularly in people-to-people interactions, including the creation of predefined activities, can be valuable in this regard.

Local actors involved in CBC should make greater use of place-based approaches. Regions with the potential to become cross-border functional areas should identify their specific development needs and consider preparing cross-border or border-sensitive Integrated Territorial Investments (ITIs). As part of an expanded use of place-based approaches, it is necessary to reassess or eliminate thematic concentration within INTERREG programs, as it has limited development opportunities in certain areas. Once Cross-Border Functional Areas (CBFAs) are identified and their strategies are formulated, mainstream programs should consider providing contributions to cross-border ITIs, thereby financing projects with cross-border elements and reducing the barrier effect of the border.

Accenting bottom-up place-based approaches should not overshadow the fact that parts of the programmes shall continue to be top-down managed, mainly when it comes to the thematic fields where central states have their unique pouvoir. Police cooperation, integrated
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rescue systems, environmental protection, but also cross-border innovation transfer should continue to be supported from the top. Given the previously outlined colourfulness of European borderlands, it is hardly possible to advise on an ideal balance between what should be the ideal ratio between top-down and bottom-up.

To mainstream the cross-border dimension within national programs, efforts should be made to overcome "border blindness" by enhancing coordination between programs in urban, rural or rural-urban areas. The preparation of development plans and projects that involve coordination between two or more countries can lead to tangible benefits, where the combined effort of 1+1 is greater than 2.

Position of INTERREG in the Cohesion Policy

In 2027+, INTERREG should continue to be an important part of the Cohesion Policy. It should assist in further removing of obstacles preventing the full use of the internal market. The divide between places that grow and places that are left behind has deepened over the past two decades. Given that many borderlands in the EU suffer from their location on the national periphery, some of these regions lag hugely behind those located in more central parts of their countries. Borderlands are often left behind not only in economic terms, but also in social, political, institutional, infrastructural, environmental, and cultural terms (Pike et al., 2023). Without every possible intervention aiming at softening the barrier effect of the border, borderlands will (continue) depopulating, will not be considered places of good life, they might experience (a further) rise of Euroscepticism and crisis of mutual trust. People will tend to live with their backs to the border, which will limit their mental preparedness to exploit the possibilities behind the border. The existence of INTERREG programme, despite its low allocations, “forces” national states to cooperate and focus on borderlands. Without this instrument, the support of borderlands in the entire EU would be much weaker, as Member States approach the CBC differently. INTERREG is unique and irreplaceable.

During the pandemic, border closures evidenced that national states applied one-size-fits-all solutions, and ignored the needs of people from borderlands (Medeiros et al., 2021; Opiłowska, 2021; Böhm, 2021), creating thus feeling of “2nd category Europeans”. Hence, it is necessary that the European institutions continue to act as a natural partners of CBRs, as these substantially contribute to the concept of Europe of Regions. The emergence of functional cross-border soft spaces can be a political problem for traditional state-centric thinking, but one cannot overlook that these newly created entities can help to increase - for example by the means of cross-border public service - the quality of life in the places where national investment covering just one part of the border would be too costly. To this end, territorial cooperation should be supported and financially strengthened, to contribute to cohesion by reducing/removing persisting cooperation obstacles and promoting a place-based approach. INTERREG is central to this.

Lastly, cross-border and transnational policies have a major symbolic importance for borderlands. They are realised by the grassroots communities, they are a form of everyday Europeanisation and contribute to the feelings of togetherness, cohesion and mutual trust. This leads to increased levels of cross-border social practices, which result in soft spaces creation and increased quality of life. All this, as is the case for the entire CBC, can be achieved in the long-term horizon only, but - as evidenced by the increase of cross-border commuters during the last 20 years – it can happen. INTERREG and cross-border institutions have an important role in this.
2. References


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